



**GOVERNMENT OF KHYBER PAKHTUNKHWA
FINANCE DEPARTMENT**

No.2/3(F/L)/FD/2019-20/Vol-XIII
Dated Peshawar the 6th December 2019

To

1. All Administrative Secretaries to Government of Khyber Pakhtunkhwa.
2. All Deputy Commissioners (New Merged Areas) in Khyber Pakhtunkhwa.

Subject: - **EXTENSION OF POLICES/INSTRUCTIONS OF THE PROVINCIAL GOVERNMENT IN NEWLY MERGED AREAS (NMAs)**

Dear Sir,

I am directed to refer to the subject noted above and to invite attention towards 25th Constitutional Amendment Act 2018 whereunder erstwhile FATA is merged with Khyber Pakhtunkhwa. In order to bring uniformity in all official matters and ensure better financial integration, all laws/rules/regulations and policies / instructions prevalent in the Settled Areas of the Province stand extended to all the entities of the Newly Merged Areas (NMAs).

I am therefore directed to enclose herewith the following polices/instructions of the Provincial Government of Khyber Pakhtunkhwa for strict compliance: -

S.No.	Subject	Enclosure
1	Deposit of working balances and investment of surplus funds belonging to Public Sector Enterprises and Local/Autonomous Bodies.	Annexure-I
2	Streamlining of designated bank accounts.	Annexure-II
3	Conversion of designated bank account (current) to PLS Mode.	Annexure-III
4	Revised Accounting Procedure for Revolving Fund Accounts (Foreign Currency Assignment Account).	Annexure-IV
5	Revised procedure for operation of Assignment Accounts (Local Currency).	Annexure-V

It shall be ensured that the above policies/instructions are followed in letter and spirit. Moreover, the receipt of this letter may kindly be acknowledged.

Yours faithfully,

(HAMMAD RAZA)
BUDGET OFFICER (FUNDS/LOANS)

Endst. No. & Date even.

Copy forwarded to:-

1. The Accountant General, Khyber Pakhtunkhwa.
2. The Managing Director, Bank of Khyber, 34 the Mall, Peshawar Cantt.
3. The Director, FMIU, Finance Department with the request to upload the above instructions on Finance Department's website.
4. The Director, Local Fund Audit, Peshawar.
5. PSO to Chief Secretary Govt of Khyber Pakhtunkhwa, Peshawar.
6. PS to Minister for Finance, Khyber Pakhtunkhwa.
7. All Section / Budget Officers in Finance Department.
8. Fund Manager, Khyber Pakhtunkhwa Fund Management, Finance Department, Peshawar.
9. Private Secretary to Finance Secretary.
10. Private Secretary to SSF Newly Merged Areas (NMAs), Khyber Pakhtunkhwa.
11. PAs to Additional Secretaries/Deputy Secretaries in Finance Department.

BUDGET OFFICER (FUNDS/LOANS)



General

GOVERNMENT OF KHYBER PAKHTUNKHWA
FINANCE DEPARTMENT

Annex-I

No.2/3(F/L)/FD/2016/Vol-X
Dated Peshawar the 7th November 2017

To

1. The Additional Chief Secretary, P&D Department Govt of Khyber Pakhtunkhwa, Peshawar.
2. The Senior Member Board of Revenue, Khyber Pakhtunkhwa, Peshawar.
3. The Principal Secretary to Chief Minister, Khyber Pakhtunkhwa, Peshawar.
4. The Secretary to Governor, Khyber Pakhtunkhwa, Peshawar.
5. All Administrative Secretaries to Government of Khyber Pakhtunkhwa, Peshawar.
6. All Heads of Attached Departments in Khyber Pakhtunkhwa.
7. All Deputy Commissioners / Political Agents in Khyber Pakhtunkhwa.
8. The Member Board of Revenue, Khyber Pakhtunkhwa, Peshawar.
9. The Registrar, Peshawar High Court, Peshawar.
10. The Chairman, Khyber Pakhtunkhwa Public Service Commission, Peshawar.
11. The Chairman, Khyber Pakhtunkhwa Service Tribunal, Peshawar.
12. All Chief Executives Autonomous/Semi-Autonomous Bodies/Corporations in Khyber Pakhtunkhwa.

Subject: - PLACEMENT OF PUBLIC FUND IN BANKS

Dear Sir,

In continuation of this department letter of even number dated 12.01.2015 on the subject noted above, I am directed to invite your kind attention to the decision taken in the meeting held under the chairmanship of Chief Secretary, Khyber Pakhtunkhwa on 02.11.2017 which stipulates that the Provincial Government Departments should place / keep their funds with maximum three banks having Credit Rating 'A' in future. No any department will deposit money / fund in commercial banks without prior approval of Finance Department.

2. All heads of Government Departments/Offices/Autonomous/Semi-Autonomous Bodies/Corporations are hereby advised to ensure strict compliance with the above instructions of the Government in letter and spirit.

3. Failure to comply with these instructions shall be taken seriously and stern disciplinary proceedings will be initiated against the concerned Departments / Offices / Autonomous / Semi-Autonomous Bodies/Corporations.

Yours faithfully,

(HAMMAD RAZA)

BUDGET OFFICER (FUNDS/LOANS)

091-9210436

Endost: No. & Date even.

Copy forwarded to:-

1. The Accountant General, Khyber Pakhtunkhwa.
2. PS to Minister for Finance, Khyber Pakhtunkhwa.
3. PSO to Chief Secretary Govt of Khyber Pakhtunkhwa, Peshawar.
4. The Director, Local Fund Audit, Peshawar.
5. The Director, FMIU, Finance Department with the request to upload the above instructions on FD's Website.
6. All Section / Budget Officers, Finance Department.
7. PS to Finance Secretary.
8. PA to Additional Secretaries/Deputy Secretaries, Finance Department.

BUDGET OFFICER (FUNDS/LOANS)



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GOVERNMENT OF KHYBER PAKHTUNKHWA
FINANCE DEPARTMENT

No.2/3(F/L)/FD/2016/Vol-X
Dated Peshawar the 14th July 2017

To

1. The Additional Chief Secretary, P&D Department Govt of Khyber Pakhtunkhwa, Peshawar.
2. The Senior Member Board of Revenue, Khyber Pakhtunkhwa, Peshawar.
3. The Principal Secretary to Chief Minister, Khyber Pakhtunkhwa, Peshawar.
4. The Secretary to Governor, Khyber Pakhtunkhwa, Peshawar.
5. All Administrative Secretaries to Government of Khyber Pakhtunkhwa, Peshawar.
6. All Heads of Attached Departments in Khyber Pakhtunkhwa.
7. All Deputy Commissioners / Political Agents in Khyber Pakhtunkhwa.
8. The Member Board of Revenue, Khyber Pakhtunkhwa, Peshawar.
9. The Registrar, Peshawar High Court, Peshawar.
10. The Chairman, Khyber Pakhtunkhwa Public Service Commission, Peshawar.
11. The Chairman, Khyber Pakhtunkhwa Service Tribunal, Peshawar.
12. All Chief Executives Autonomous/Semi-Autonomous Bodies/Corporations in Khyber Pakhtunkhwa.

Subject: - PLACEMENT OF PUBLIC FUND IN BANKS

Dear Sir,

I am directed to refer to the subject noted above and to invite your kind attention to the Provincial Cabinet's decision taken in its meeting held on 07.06.2017 which stipulates *that the Provincial Government Departments should not keep their bank accounts in Banks other than those allowed / sanctioned by the Finance Department for various Departments / Offices / Autonomous / Semi-Autonomous Bodies / Corporations in Khyber Pakhtunkhwa for particular and specific purposes.*

2. It has come to the notice of the Government of Khyber Pakhtunkhwa that most of the Drawing & Disbursing Offices of the Departments/Offices/Bodies/Organizations in Khyber Pakhtunkhwa have kept substantial amount of Government money in various Banks without any valid authority and approval of Government which is violation of the para-66, 95, 96 of GFR Vol-I and Rule-290 of FTR where budget is appropriated for current financial year only. This is a serious irregularity and mis-appropriation of Government money.

3. The Government has taken a serious view of this situation and have directed as under: -

- i. No funds shall be transferred from the Assignment Accounts for deposit into chest or any bank account which is completely forbidden as per para 2(vi) of the Revised Procedure of Operation of Assignment Account circulated vide this Department letter No. 5/139(F/L)/FD/2013/vol-II dated 20.08.2014.
- ii. No funds should be kept in any Bank account by any Drawing and Disbursing Officer unless expressly authorised by Finance Department. Such funds lying in Banks should be drawn and credited to Government Treasury immediately except where Departments/offices/Bodies/organizations facilities have been specifically permitted under some Statue/Act.

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GOVERNMENT OF KHYBER PAKHTUNKHWA
FINANCE DEPARTMENT

- iii. In case of designated bank accounts that are expressly authorized by the Finance Department the fund remaining undrawn against the authorized fund ceilings at the close of a financial year will be intimated by the concerned departments/Offices/Bodies/organization in respect of each designated bank account to Finance Department.
- iv. The balance in the bank accounts mentioned at serial No. iii above, if any, remaining on June 30th will not be available without its revival in next financial year by Finance Department.
- v. Designated Bank accounts shall stand closed on completion of respective scheme/program/purpose for which account were allowed/sanctioned by Finance Department.
- vi. Monthly expenditure statement of the bank accounts mentioned at serial No. iii above alongwith reports of bank-wise funds placement and balance lying therein be sent to the Finance Department on regular basis.
- vii. Moreover, accounts expressly authorized by Finance Department may be converted to PLS mode and the profit earned from that accounts be deposited in Government Treasury immediately under head of account circulated vide this Department letter No. 2/3-(F/L)/FD/2007-08/Vol-IX dated 02.06.2015 and not later than a week when declared by the concerned bank.

4. All heads of Government Departments/Offices/Autonomous/Semi-Autonomous Bodies/Corporations are hereby advised to ensure strict compliance with the above instructions of the Government in letter and spirit. Failure to comply with these instructions shall be taken seriously and stern disciplinary proceedings will be initiated against the concerned Departments / Offices / Autonomous / Semi-Autonomous Bodies/Corporations.

Yours faithfully,

(HAMMAD RAZA)

BUDGET OFFICER (FUNDS/LOANS)

091-9210436

Endost: No. & Date even.

Copy forwarded to:-

- 2/1/14
14/1/14
1. The Accountant General, Khyber Pakhtunkhwa.
 2. The Managing Director, Bank of Khyber, 34 the Mall, Peshawar Cantt.
 3. PSO to Minister for Finance, Khyber Pakhtunkhwa.
 4. PSO to Chief Secretary Govt of Khyber Pakhtunkhwa, Peshawar.
 5. The Director, Local Fund Audit, Peshawar.
 6. The Director, FMIU, Finance Department.
 7. All Section / Budget Officers in Finance Department.
 8. Private Secretary to Finance Secretary.
 9. PAs to Additional Secretaries/Deputy Secretaries in Finance Department.

BUDGET OFFICER (FUNDS/LOANS)



General

Government of Khyber Pakhtunkhwa
Finance Department

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NO.2/3-(F/L)/FD/2007-8
Dated Peshawar the 12th January 2015

To

1. The Addl: Chief Secretary, P&D Department, Govt of Khyber Pakhtunkhwa, Peshawar.
2. The Senior Member, Board of Revenue, Khyber Pakhtunkhwa, Peshawar.
3. The Principal Secretary to Chief Minister, Khyber Pakhtunkhwa, Peshawar.
4. The Secretary to Governor, Khyber Pakhtunkhwa, Peshawar.
5. All Administrative Secretaries to Government of Khyber Pakhtunkhwa, Peshawar.
6. All Divisional Commissioners in Khyber Pakhtunkhwa.
7. The Accountant General, Khyber Pakhtunkhwa, Peshawar
8. All Deputy Commissioners/Political Agents in Khyber Pakhtunkhwa.
9. All Heads of Attached Departments in Khyber Pakhtunkhwa.
10. The Member Board of Revenue, Khyber Pakhtunkhwa, Peshawar.
11. The Registrar, Peshawar High Court, Peshawar.
12. The Chairman, Khyber Pakhtunkhwa Public Service Commission, Peshawar.
13. The Chairman, Khyber Pakhtunkhwa Service Tribunal, Peshawar.
14. All Chief Executives of Autonomous/Semi-Autonomous Bodies/Corporations in Khyber Pakhtunkhwa.

Subject:- DEPOSITS OF WORKING BALANCES AND INVESTMENT OF SURPLUS FUNDS BELONGING TO PUBLIC SECTOR ENTERPRISES AND LOCAL/AUTONOMOUS BODIES UNDER FEDERAL GOVERNMENT.

Dear Sir,

In continuation of this department letter of even number dated 21.10.2003 and 25.10.2005 on the subject noted above, I am directed to enclose herewith a copy of Government of Pakistan, Finance Division letter No.F.4(1)/2002-BR.II dated 23.12.2014 for carrying out the desired amendment in the Finance Division Government of Pakistan earlier letter No.F.4(1)/2002-BR.II dated 02.07.2003, circulated vide this department letter mentioned above.

Yours faithfully,

(HAMMAD RAZA)
BUDGET OFFICER (FUNDS/LOANS)

Endst.No. & Date even.

Copy forwarded to:-

1. The Accountant General, Khyber Pakhtunkhwa.
2. The Private Secretary to Minister for Finance, Khyber Pakhtunkhwa.
3. The Private Secretary to Chief Secretary Khyber Pakhtunkhwa.
4. The Director, Local Fund Audit, Peshawar.
5. The Private Secretary to Finance Secretary
6. The Director, FMIU, Finance Department.
7. All Section / Budget Officers in Finance Department.

BUDGET OFFICER (FUNDS/LOANS)

No.F.4(1)/2002-BR-II

Islamabad the 23rd December, 2014

OFFICE MEMORANDUM

SUBJECT: DEPOSIT OF WORKING BALANCES AND INVESTMENT OF SURPLUS FUNDS BELONGING TO PUBLIC SECTOR ENTERPRISES AND LOCAL/AUTONOMOUS BODIES UNDER FEDERAL GOVERNMENT.

The undersigned is directed to refer Finance Division's O.M. No. F.4(1)/2002-BR-II dated 2nd July, 2003 (As amended from time to time) on the above noted subject and to clarify that the term "A" rating (long term) used in Para-3(a) of the said memorandum means and includes all the categories of "A" in the rating scale of Pakistan Credit Rating Agency (PACRA). These categories as detailed below:-

AAA	Highest credit quality
AA+, AA, AA-	Very high credit quality
A+, A, A-	High credit quality.

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Qamar

(M.Qamar-uzzaman Farooqui)
Joint Secretary (BI)

All the Secretaries of the Federal Government

Copy forwarded to.

1. The Auditor General of Pakistan, Constitution Avenue, Islamabad.
2. The Controller General of Accounts, CGA Complex, G-5/2, Islamabad.
3. The Chairman, Securities Exchange Commission of Pakistan, Islamabad.
4. The Director of Accounts, State Bank of Pakistan, Central Directorate, I.I. Chundrigar Road, Karachi.
5. The Director, Banking Policy Department, State Bank of Pakistan, Central Directorate, I.I. Chundrigar Road, Karachi
6. All Additional Finance Secretaries/Joint Secretaries, Finance Division, Islamabad.
7. All Financial Advisers/ Deputy Financial Advisers attached to administrative Divisions of the Federal Government.
8. Finance Secretary, Government of Punjab, Sindh, Khayber Pakhtunkhwa and Balochistan.
9. Prime Minister's Office (Internal), Islamabad.

Qamar
Joint Secretary (BI)

Copy also for:

PS to Finance Secretary, 21025

Secretary Finance
Khayber Pakhtunkhwa
Date: 21/12/14
Date: 30/12/14

31/12/2014

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AFS/PF

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GOVERNMENT OF NWFP
FINANCE DEPARTMENT

No.2/3 (F&L)FD/2007-08/Vol: IX
Dated Pesh: the 5th Jan: 2008

To

The Managing Director,
Bank of Khyber,
24 - The Mall,
Peshawar Cantt.



Subject:- CLARIFICATION OF INSTRUCTIONS ISSUED BY THE PROVINCIAL GOVERNMENT REGARDING INVESTMENT OF FUNDS IN THE BANK OF KHYBER.

Dear Sir,

I am directed to refer to Bank of Khyber, Letter No.BOK/HO/MD/Sectt:/08/02/214, dated 04/01/2008 on the above subject and to clarify the position as under:-

- a) Investment Committees of the Provincial Government or other Public Sectors Enterprises/Local/Autonomous Bodies while parking their surplus funds in the banks including Bank of Khyber may consider the creditability of respective bank & rate of return offered.
- b) 15% is a mandatory limit as notified by the Finance Department vide Even No. & Dated 11/10/2007. However, if the Bank of Khyber seeks the deposits on market/competitive rates from the Public or Private Bodies this limits is not relevant.

Yours Faithfully,



BUDGET OFFICER (FUND & LOAN)

Endst No. & Date even

All Government Departments/Autonomous/Semi-Autonomous Corporations/Bodies.



BUDGET OFFICER (FUND & LOAN)

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Dated Peshawar the 11th October 2007

To

1. All Administrative Secretaries to Govt. of NWFP.
2. The Senior Member, Board of Revenue, NWFP.
3. The Secretary to Governor, NWFP.
4. The Secretary to Chief Minister, NWFP.
5. All Heads of Attached Departments in NWFP.
6. All District Nazims/District Coordination Officers.
7. All Head of Autonomous / Semi Autonomous Bodies in NWFP.
8. All District and Sessions Judges in NWFP.
9. The Registrar, Peshawar High Court, Peshawar.
10. The Chairman, NWFP, Public Service Commission.
11. The Chairman, NWFP, Services Tribunal.
12. The Secretary, Board of Revenue, NWFP.

Subject: - DEPOSITS OF WORKING BALANCES AND INVESTMENT OF SURPLUS FUNDS BELONGING TO PUBLIC SECTOR ENTERPRISES AND LOCAL/AUTONOMOUS BODIES UNDER FEDERAL GOVERNMENT.

Dear Sir,

I am directed to refer to the Government's instructions issued vide Finance Department letters No.2/3-Funds/Loans(FD)2003/Vol.VIII dated 21.10.2003 & 25.10.2005 on the subject noted above.

2. In partial modification in the instructions contained in this department letters under reference, the Provincial Government has approved that all Government Departments, Autonomous Bodies, Corporations and Local/District Governments shall place their approved imprest/working balances in Bank of Khyber as per following ratio:-

- 1 - 31 دسمبر 2007 تک موجودہ شرح کو 27% سے کم کر کے 15% تک لایا جائے
- 2 - 31 دسمبر 2008 تک سرمایہ کاری کی اس شرح کو 15% سے کم کر کے 10% تک لایا جائے

3. The above policy instructions may be followed in letter and spirit.

Yours faithfully

(HABIB GUL)

BUDGET OFFICER (FUNDS/LOANS)

Endst.No. & Date even.

Copy forwarded for information to:-

1. The Accountant General, NWFP.
2. The Managing Director, Bank of Khyber, 24 the Mall, Peshawar Cantt.
3. The Private Secretary to Minister for Finance, NWFP.
4. The Private Secretary to Chief Secretary NWFP.
5. The Director, Local Fund Audit, Peshawar.
6. The Private Secretary to Finance Secretary/Special Secretary Finance.
7. P.As to Additional Secretaries/Deputy Secretaries in Finance Department.
8. The Director, EDPC, Finance Department.
9. All Section / Budget Officers in Finance Department.

BUDGET OFFICER (FUNDS/LOANS)

To

1. All Administrative Secretaries to Govt. of NWFP.
2. The Senior Member, Board of Revenue, NWFP.
3. The Secretary to Governor, NWFP.
4. The Secretary to Chief Minister, NWFP.
5. All Heads of Attached Departments in NWFP.
6. All District Coordination Officers in NWFP.
7. All Head of Autonomous / Semi Autonomous Bodies in NWFP.
8. All District and Sessions Judges in NWFP.
9. The Registrar, Peshawar High Court, Peshawar.
10. The Chairman, NWFP, Public Service Commission.
11. The Chairman, NWFP, Services Tribunal.
12. The Secretary, Board of Revenue, NWFP.

Subject: - DEPOSITS OF WORKING BALANCES AND INVESTMENT OF SURPLUS FUNDS BELONGING TO PUBLIC SECTOR ENTERPRISES AND LOCAL/AUTONOMOUS BODIES UNDER FEDERAL GOVERNMENT.

Dear Sir,

In continuation of this department letter of even number dated 21.10.2003 on the subject noted above, I am directed to enclose herewith a photocopy of Government of Pakistan Finance Division letter No.F.4 (1)/2002-BR.II-460 dated 22.09.2005 for carrying out the desired amendment in the Finance Division Government of Pakistan letter No.F.4 (1)/2002-BR.II dated 02.07.2003, circulated vide this department letter mentioned above.

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2/-
Yours faithfully,

(SAJJAD AHMED)
BUDGET OFFICER (FUNDS/LOANS)

Endst.No. & Date even.

Copy forwarded to:-

1. The Accountant General, NWFP.
2. The Private Secretary to Minister for Finance, NWFP.
3. The Private Secretary to Chief Secretary NWFP.
4. The Director, Local Fund Audit, Peshawar.
5. The Private Secretary to Finance Secretary/P.As to Additional Secretaries/Deputy Secretaries in Finance Department.
6. The Director, EDPC, Finance Department.
7. All Section / Budget Officers in Finance Department.

(SAJJAD AHMED)
BUDGET OFFICER (FUNDS/LOANS)

PTO

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Government of Pakistan
Finance Division
(Budget Wing)

No.F.4(1)/2002BR.II - 460

Islamabad, the 22nd September, 2005

OFFICE MEMORANDUM

Subject:- DEPOSITS OF WORKING BALANCES AND INVESTMENT OF SURPLUS FUNDS BELONGING TO PUBLIC SECTOR ENTERPRISES AND LOCAL/AUTONOMOUS BODIES UNDER FEDERAL GOVERNMENT:

The undersigned is directed to refer to this Division's OM of even number, dated 2nd July, 2003 on the above subject. The para 3(a) of the said OM may please be read as follows:

3(a):For the sake of the safety and security of deposits, the banks/financial institutions taking a deposit should have a minimum "A" rating as appearing on the web-site of the Credit Rating Agency. This "A" rating refers to the rating scale used by Pakistan Credit Rating Agency and JCR-VIS Credit Rating Company for banks incorporated in Pakistan and Moody's Fitch's and Standard & Poor's rating for foreign banks operating in Pakistan. Rating scales of other agencies acceptable to the State Bank should be equivalent to the rating of the above mentioned companies. Information and clarification on this matter may be obtained from Banking Policy Department of the State Bank of Pakistan"

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25/9/05
reg.
(Muhammad Younas)

Assistant Economic Adviser (BR-II)
Phone: 9209243

All Secretaries of the Federal Government:

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AS (BII)
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GOVERNMENT OF NWFP
FINANCE DEPARTMENT

No.2/3-Funds/Loans-(FD) 2003/Vol-VIII
Dated Peshawar the 2nd October 2003

To

1. All Administrative Secretaries to Govt. of NWFP.
2. The Senior Member, Board of Revenue, NWFP.
3. The Secretary to Governor, NWFP.
4. The Secretary to Chief Minister, NWFP.
5. All Heads of Attached Departments in NWFP.
6. All District Nazims/District Coordination Officers.
7. All Head of Autonomous / Semi Autonomous Bodies in NWFP.
8. All District and Sessions Judges in NWFP.
9. The Registrar, Peshawar High Court, Peshawar.
10. The Chairman, NWFP, Public Service Commission.
11. The Chairman, NWFP, Services Tribunal.
12. The Secretary, Board of Revenue, NWFP.

Subject: - DEPOSITS OF WORKING BALANCES AND INVESTMENT OF SURPLUS FUNDS BELONGING TO PUBLIC SECTOR ENTERPRISES AND LOCAL/AUTONOMOUS BODIES UNDER FEDERAL GOVERNMENT.

Dear Sir,

I am directed to enclose herewith Federal Government's policy on the subject noted above, bearing No.F.4 (1)/2002-BR.II dated 2.7.2003.

In supersession of this Department's letter No.2/3-NFC (FD)/98/Vol: VII dated 27.09.1999, the Provincial Government has decided that all Government departments, Autonomous Bodies, Corporations and Local Governments shall place their approved imprest / working balances as per Federal Government instructions, referred to above, in the following Banks / Development Financial Institutions in the prescribed ratio: -

S.No	Name of Bank/DFIs.	Percentage
1	Bank of Khyber.	27%
2	Public or private banks/Development Financial Institutions subject to the requirements mentioned in the Finance Division Letter No F.4 (1)/2000 BR.II dated 2.7.2003.	73%

Yours faithfully,

BUDGET OFFICER (FUNDS/LOANS)

ist No. & Date even.

- The Accountant General, NWFP.
- The Private Secretary to Minister for Finance, NWFP.
- The Private Secretary to Chief Secretary NWFP.
- The Director, Local Fund Audit, Peshawar.
- The Private Secretary to Finance Secretary/P.As to Additional Secretaries/Deputy Secretaries in Finance Department.
- The Director, EDPC, Finance Department.
- All Section / Budget Officers in Finance Department.

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Government of Pakistan
Finance Division
(Budget Wing)

No.F.4(1)/2002-BR.II

Islamabad, the 2nd July, 2003

OFFICE MEMORANDUM

Subject:- DEPOSIT OF WORKING BALANCES AND INVESTMENT OF SURPLUS FUNDS BELONGING TO PUBLIC SECTOR ENTERPRISES AND LOCAL/AUTONOMOUS BODIES UNDER FEDERAL GOVERNMENT:

The undersigned is directed to issue the following consolidated instructions for depositing working balances as well investment of surplus funds of the public sector enterprises and local/autonomous bodies. These instructions supersede all previous instructions issued from time to time in this regard.

2. As a part of its programme for further development of the financial sector, the Government is pursuing actively a policy of privatizing public sector banks and creating an even playing field for public and private sector financial institutions. In view of this, it has been decided to revise the policy on banking facilities for public sector enterprises and local/autonomous bodies.

Working Balances:

3. Under the new policy, public sector enterprises and local/autonomous bodies can deposit their working balances required for their operations with any public or private bank subject to the following requirements:

- (a) For the sake of the safety and security of deposits, the bank/financial institutions taking a deposit should have a minimum "A" rating (long-term) as appearing on the web-site of the State Bank of Pakistan. This "A" rating refers to the rating scale used by Pakistan Credit Rating Agency and JCR-VIS Credit Rating Company for banks incorporated in Pakistan and Moody's, Fitch's and Standard & Poor's rating for foreign banks operating in Pakistan. Rating scales of other agencies acceptable to the State Bank should be equivalent to the rating of the above mentioned companies. Information and clarification on this matter may be obtained from Banking Policy Department of the State Bank of Pakistan;

(b) The process of selection of bank(s) should be transparent. Therefore, prior to placing deposits with a bank under this new policy, and in case the total working balances exceed Rs.10 million, the selection of the bank(s) as well as the terms of

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deposits will be approved by the concerned Board of Directors/Governing Body on the basis of competitive bids from at least three independent banks;

- (c) The risk associated with keeping deposits should be diversified. Therefore, in cases where total working balance of an enterprise exceeds Rs.10 million, not more than 50% of such balance shall be kept with one bank;
- (d) In case the rating of the deposit taking bank drops below "A", the concerned enterprise/local/autonomous body will shift new deposits within a period of one month and old deposits within a period of two months to a bank/(s) with at least "A" rating;
- (e) The working balance limit of each organization should be determined with the approval of the administrative ministry in consultation with Finance Division. The account of this working balance may be maintained in a current or savings bank account.

Surplus Funds:

4. It has been decided to allow the public sector entities to invest their surplus funds in the non-government securities/TFCs/shares also upto maximum of 20% of the total funds under management. This relaxation will not be available to public sector enterprises/autonomous bodies that have statutory restrictions on their investing in non-government securities. Corporate entities, which receive support from the current budget, are also excluded from the policy. Public sector entities, which are holding trust funds such as pension funds, benevolent funds or insurance funds, will devise their investment policies through their own Boards.

5. Eligibility criteria of non-government investment instruments will be as follows:

- (a) Non-government debt instruments should have a major rating category of A and above;
- (b) Public listed shares/units should have a total return comprising the dividend paid and appreciation in value, which exceeds the average six months Treasury Bill rate for the last three years. The formula for the calculation of the total return would be provided by Securities and Exchange Commission of Pakistan (SECP) from time to time;
- (c) Initial Public Offerings (IPOs) of shares of existing companies should have a track record of three year profitability at least equal to the average of twenty best performing companies on Karachi Stock Exchange;

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- (d) Total investment in debt instrument of a company not to exceed 10% of size of the issue or 10% of the total size of funds managed by the public sector entity, whichever is lower;
- (e) Total investment in the shares of a company not to exceed 5% of the paid up capital of that company or 5% of the total funds managed by the public sector entity, whichever is lower; and
- (f) Investment in shares of Greenfield projects/companies will not be eligible.

6. Before making any investment under this policy, it would be necessary for public sector entities to set up in-house professional treasury management functions. Specifically, they would need to have an Investment Committee (IC) with defined investment approval authority. Transactions above the approval authority of the IC will be subject to approval of the Board of Directors or an equivalent forum. The IC should be assisted by an Investment Management Unit employing qualified staff with at least 3-5 years of experience of managing investment in debt/equity instruments. However, it will be necessary for public sector enterprises to use the services of professional fund managers approved by SECP.

7. The Principal Accounting Officer of the ministry concerned will be responsible for the implementation of the above instructions regarding the PSEs/local/autonomous bodies under his control. The Chief Executive of PSE/Local/Autonomous body will be required to issue a certificate on annually basis that the above instructions are being followed in respect of the working balance and surplus funds of the organization.

8. All the PSEs/local/autonomous bodies under your administrative control may please be directed to keep their working balances and invest their surplus funds in accordance with the above mentioned policy instructions.

9. This issues with the approval of the Finance Secretary.

Samiullah

(SAMIULLAH)

Asstt. Economic Adviser (BR.II)

Phone: 9209243

All Secretaries of the Federal Government:

Copy forwarded to:

1. Auditor General of Pakistan, Constitution Avenue, Islamabad.
2. Controller General Accounts, Federal Bank for Cooperative's B Islamabad.
3. Chairman, Securities and Exchange Commission of Pakistan, Islamabad.
4. Director of Accounts, State Bank of Pakistan, Central Directorate, Chundrigar Road, Karachi.
5. All Joint Secretaries, Finance Division, Islamabad.
6. All Financial Advisers/Deputy Financial Advisers attached administrative Divisions of the Federal Government.
7. Finance Secretaries, Governments of Punjab, Sindh, NWFP, Balochistan, with the request that similar action be taken in respect autonomous organizations under their administrative control.
8. Prime Minister's Secretariat (Internal), Islamabad.

Samiullah
(SAMIULLAH)

CS

12



General

GOVERNMENT OF KHYBER PAKHTUNKHWA
FINANCE DEPARTMENT

No.2/3(F/L)/FD/2016/Vol-X
Dated Peshawar the 9th March 2017

To


1. The Additional Chief Secretary, P&D Department Govt of Khyber Pakhtunkhwa, Peshawar.
2. The Senior Member Board of Revenue, Khyber Pakhtunkhwa, Peshawar.
3. The Principal Secretary to Chief Minister, Khyber Pakhtunkhwa, Peshawar.
4. The Secretary to Governor, Khyber Pakhtunkhwa, Peshawar.
5. All Administrative Secretaries to Government of Khyber Pakhtunkhwa, Peshawar.
6. All Heads of Attached Departments in Khyber Pakhtunkhwa.
7. All Commissioners in Khyber Pakhtunkhwa.
8. All Deputy Commissioners / Political Agents in Khyber Pakhtunkhwa.
9. The Member Board of Revenue, Khyber Pakhtunkhwa, Peshawar.
10. The Registrar, Peshawar High Court, Peshawar.
11. The Chairman, Khyber Pakhtunkhwa Public Service Commission, Peshawar.
12. The Chairman, Khyber Pakhtunkhwa Service Tribunal, Peshawar.
13. All Chief Executives of Autonomous/Semi-Autonomous Bodies/Corporations in Khyber Pakhtunkhwa.

Subject: - DEPOSIT OF WORKING BALANCES AND INVESTMENT OF SURPLUS FUNDS BELONGING TO PUBLIC SECTOR ENTERPRISES AND LOCAL/AUTONOMOUS BODIES UNDER FEDERAL GOVERNMENT

Dear Sir,

In continuation of this department letter of even number dated 21.10.2003, 25.10.2005 and 12.01.2015 on the subject noted above and to clarify that Zari Taraqiati Bank Ltd (ZTBL) is also authorized to compete for all such investments on the analogy of other commercial banks fulfilling minimum laid down criteria.

Yours faithfully,


(HAMMAD RAZA)
BUDGET OFFICER (FUNDS/LOANS)

Endst. No. & Date even.

Copy forwarded to:-

1. The Accountant General, Khyber Pakhtunkhwa.
2. The Managing Director, Bank of Khyber, 24 the Mall, Peshawar Cantt.
3. PS to Minister for Finance, Khyber Pakhtunkhwa.
4. PSO to Chief Secretary Govt of Khyber Pakhtunkhwa, Peshawar.
5. The Director, Local Fund Audit, Peshawar.
6. Private Secretary to Finance Secretary.
7. PAs to Additional Secretaries/Deputy Secretaries in Finance Department.
8. The Director, FMIU, Finance Department.
9. All Section / Budget Officers in Finance Department.
10. SEVP, New Initiative & Project Dev, Zarai Taraqiati Bank Limited, Head Office: 1, Faisal Avenue, P.O Box No.1400, Islamabad / Executive Vice President/Zonal Chief, Zarai Taraqiati Bank Ltd, Zonal Office, G.T.Road, Peshawar.


BUDGET OFFICER (FUNDS/LOANS)



GOVERNMENT OF KHYBER PAKHTUNKHWA
FINANCE DEPARTMENT

TO BE SUBSTITUTED WITH SAME NUMBER AND DATE

No.2/3(F/L)/FD/2018/Vol-XII
Dated Peshawar the 2nd July 2019

To

1. The Additional Chief Secretary, P&D Department Govt of Khyber Pakhtunkhwa, Peshawar.
2. The Senior Member Board of Revenue, Khyber Pakhtunkhwa, Peshawar.
3. The Principal Secretary to Chief Minister, Khyber Pakhtunkhwa, Peshawar.
4. The Secretary to Governor, Khyber Pakhtunkhwa, Peshawar.
5. All Administrative Secretaries to Government of Khyber Pakhtunkhwa, Peshawar.
6. All Heads of Attached Departments in Khyber Pakhtunkhwa.
7. All Commissioners in Khyber Pakhtunkhwa.
8. All Deputy Commissioners / Political Agents in Khyber Pakhtunkhwa.
9. The Member Board of Revenue, Khyber Pakhtunkhwa, Peshawar.
10. The Registrar, Peshawar High Court, Peshawar.
11. The Chairman, Khyber Pakhtunkhwa Public Service Commission, Peshawar.
12. The Chairman, Khyber Pakhtunkhwa Service Tribunal, Peshawar.
13. All Chief Executives of Autonomous/Semi-Autonomous Bodies/Corporations in Khyber Pakhtunkhwa.

Subject: - DEPOSIT OF WORKING BALANCES AND INVESTMENT OF SURPLUS FUNDS BELONGING TO PUBLIC SECTOR ENTERPRISES AND LOCAL/AUTONOMOUS BODIES UNDER FEDERAL GOVERNMENT/PROVINCIAL GOVERNMENT.

Dear Sir,

In continuation of this department letter of even number dated 21.10.2003, 25.10.2005, 12.01.2015 and 09.03.2017 on the subject noted above and to state that Asset Management Companies / Mutual Fund Companies are also authorized to compete for all such investments like other commercial banks fulfilling minimum laid down criteria and due diligence please.

Yours faithfully,

(HAMMAD RAZA)
BUDGET OFFICER (FUNDS/LOANS)

091-9210436

Endst. No. & Date even.

Copy forwarded to:-

1. The Accountant General, Khyber Pakhtunkhwa.
2. The Managing Director, Bank of Khyber, 34 the Mall, Peshawar Cantt.
3. The Director, FMIU, Finance Department with the request to upload the above instructions on Finance Department's website.
4. The Director, Local Fund Audit, Peshawar.
5. PSO to Chief Secretary Govt of Khyber Pakhtunkhwa, Peshawar.
6. PS to Minister for Finance, Khyber Pakhtunkhwa.
7. All Section / Budget Officers in Finance Department.
8. Fund Manager, Khyber Pakhtunkhwa Fund Management, Finance Department, Peshawar.
9. Private Secretary to Finance Secretary.
10. PAs to Additional Secretaries/Deputy Secretaries in Finance Department.

BUDGET OFFICER (FUNDS/LOANS)



GOVERNMENT OF KHYBER PAKHTUNKHWA FINANCE DEPARTMENT

Finance Department Civil Secretariat Peshawar

<http://www.financekpp.gov.pk>

facebook.com/GoKPPD

twitter.com/GoKPPD

General-s

No.2/3(F/L)FD/2017/Vol-XI
Dated Peshawar the 20th August 2018

To

- | | | | | | |
|----|---|----|--|----|---|
| 1 | The Managing Director,
Bank of Khyber,
State Life Building, 34-The Mall,
Peshawar Cantt | 2 | The Chief Manager,
Regional HQrs National Bank of
Pakistan, Khyber Pakhtunkhwa,
Peshawar | 3 | The President,
Standard Chartered Bank,
The Mall Road, Peshawar
Cantt. |
| 4 | The Regional Business Head,
United Bank Limited, Regional
Headquarter, State Life Building,
The Mall, Peshawar Cantt. | 5 | The Regional Head,
Askari Bank Limited,
Al-Haj Tower, Opp:Chief
Burger, U/Road, Peshawar. | 6 | The Chief Manager,
Bank Alfalah Ltd, Main
Branch, Opp: Jan Shopping
Arcade, Peshawar Cantt. |
| 7 | The Regional Head,
Muslim commercial Bank,
Circle Office, Landmark
Building, Plot#25, Sector B-1,
Phase-5, Hayatabad, Peshawar. | 8 | The Regional Head,
Habib Bank Limited,
Shaheen Foundation Building,
The Mall, Peshawar Cantt. | 9 | The Regional Head,
Allied Bank Limited,
Regional Office,
Tower Branch, Phase-V,
Hayatabad, Peshawar |
| 10 | The Senior Vice President,
The Bank of Punjab, Regional
Office, Ist Floor, Saddar Road,
Peshawar Cantt. | 11 | The Area Business Manager,
First Women Bank Ltd,
29-The Mall, Peshawar Cantt | 12 | Regional Vice President,
Faysal Bank Ltd, Super
Market Saddar Road,
Peshawar Cantt. |
| 13 | Senior Manager,
Bank al-Habib, 105-106 F.C.
Trust Building, Sonehri Masjid
Road, Pesh: Cantt | 14 | Area Head Manager,
Habib Metropolitan Bank Ltd,
95-A, Saddar Road, Pesh:
Cantt. | 15 | Area Manager,
Sindh Bank Limited,
Fakhr Alam Road,
Peshawar Cantt. |
| 16 | The Regional Head,
Zari Taraqati Bank Ltd,
Regional Office, GT Road,
Chughal Pura, Peshawar. | 17 | Area Manager,
Summit Bank Limited, Deans
Trade Center, Peshawar Cantt. | 18 | Area Manager,
Meezan Bank, Saddar Road.
Peshawar Cantt. |
| 19 | Area Manager, Khushali Bank,
GT Raod Peshawar | 20 | Area Manager, Soneri Bank
Limited Saddar Road,
Peshawar Cantt. | 21 | Area Manager, NRSP
Microfinance Bank, U/Road,
City Tower, Peshawar |
| 22 | Manager, JS Bank, Opposite Jan
Shopping Arcade, Peshawar
Cantt. | 23 | Post Master General,
Pakistan Post, Peshawar Cantt | 24 | Area Manager,
Samba Bank, Saddar Road.
Peshawar Cantt |
| 25 | Area Manager,
Bank Islami, Arbab Road,
Peshawar Cantt | 26 | Area Manager,
Al-Baraka Bank, Deans Trade
Centre, Peshawar Cantt. | 27 | Area Manager,
Silk Bank, Fakhar e Alam
Rd, Peshawar Cantt |

Subject: - **STREAMLINING OF GOVERNMENT OF KHYBER PAKHTUNKHWA
DESIGNATED BANK ACCOUNTS**

Dear Sir,

I am directed to refer to the subject noted above and to state that Finance Department is in the process of streamlining its main stream Treasury Single Account (TSA) System this amongst other factors warrant aggregate oversight of the designated bank accounts operated by Public Sector Entities with Public Funds. A self-contained policy of Government of Khyber Pakhtunkhwa to govern these bank accounts is already in place. However, it is imperative to further reinforce an in spirit implementation of the said policy to redress the gaps / risks identified by a most recently conducted diagnoses study of Finance Department.

2. In this regard SBP Karachi was approached who invited attention to the SBP regulations applicable on Banks & DFIs issued by their Banking Policy & Regulations Department reproduced as under:-

“Government Accounts: 21. Government accounts shall not be opened in the personal names of the government official (s). Government account which is to be operated by an officer of the Federal / Provincial / Local Government in his / her official capacity, shall be opened only on production of a special resolution/authority from the concerned administrative department duly endorsed by the Ministry of Finance or Finance Department of the concerned Government”.



GOVERNMENT OF KHYBER PAKHTUNKHWA FINANCE DEPARTMENT

Finance Department Civil Secretariat Peshawar <http://www.financekpp.gov.pk> [facebook.com/GoKPPD](https://www.facebook.com/GoKPPD) twitter.com/GoKPPD
General-s

3. In addition Para-7 of General Financial Rules Volume-I of the Government reproduced as under also empowers the Finance Department to sanction such bank accounts:-

“Unless otherwise expressly authorized by any law or rule or order having the force of law moneys may not be removed from the Public Account for investment or deposit elsewhere without the consent of the Ministry of Finance”.

4. In view of the above SBP Regulations and Government Rules, the Provincial Government has decided that all the branches of commercial / scheduled banks under your control in Khyber Pakhtunkhwa may be directed not to open / operate any designated bank account of the Government of Khyber Pakhtunkhwa without prior approval / NOC of Finance Department/Provincial Government and for opening of new bank accounts endorsement of Finance Department must be obtained first positively. Moreover, details of existing accounts which are opened without NOC of Finance Department may also be provided.

5. All branches may be directed to ensure strict compliance with the above instructions of the Provincial Government in the letter & spirit.

Yours faithfully,

(HAMMAD RAZA)

Budget Officer (Funds/Loans)

Phone Off# 091-9210436

Endost: No. & Date even.

Copy forwarded to Joint Director, State Bank of Pakistan, Finance Department. I.I.Chundrigar Road, Karachi with reference to his letter No.FD.GOV'T /708/16KPK/2018 dated 12.07.2018.

Budget Officer (Funds/Loans)

Endost: No. & Date even.

Copy forwarded to:-

1. All Administrative Secretaries to Government of Khyber Pakhtunkhwa, Peshawar.
2. The Senior Member Board of Revenue, Khyber Pakhtunkhwa, Peshawar.
3. The Registrar, Peshawar High Court, Peshawar.
4. The Chairman, Khyber Pakhtunkhwa Public Service Commission, Peshawar.
5. The Chairman, Khyber Pakhtunkhwa Service Tribunal, Peshawar.
6. All Chief Executives Autonomous/Semi-Autonomous Bodies/Corporations in Khyber Pakhtunkhwa.
7. All Heads of Attached Departments in Khyber Pakhtunkhwa.
8. All Commissioners in Khyber Pakhtunkhwa.
9. All Deputy Commissioners in Khyber Pakhtunkhwa.
10. The Accountant General, Khyber Pakhtunkhwa.
11. The Director General Audit (District Government), Khyber Pakhtunkhwa, Pak Business Centre, 2nd Floor, Near Amin Hotel Hashtanagri Peshawar.
12. All District Comptroller of Accounts/District Accounts Officer in Khyber Pakhtunkhwa.
13. The Treasury Officer, Peshawar.
14. The Director, Local Fund Audit, Peshawar.
15. The Director, FMIU, Finance Department with the request to upload the above instruction on Finance Department's website.
16. PSO to Chief Secretary Govt of Khyber Pakhtunkhwa, Peshawar.
17. PS to Additional Chief Secretary, P&D Department Govt of Khyber Pakhtunkhwa, Peshawar.
18. PS to Finance Secretary.

Budget Officer (Funds/Loans)



Annex-III 19

GOVERNMENT OF KHYBER PAKHTUNKHWA
FINANCE DEPARTMENT

No.2/3-(F/L)/FD/2007-08/Vol-IX
Dated Peshawar the 16th March 2018

To

1. The Senior Member Board of Revenue, Khyber Pakhtunkhwa, Peshawar.
2. The Principal Secretary to Chief Minister, Khyber Pakhtunkhwa, Peshawar.
3. The Secretary to Governor, Khyber Pakhtunkhwa, Peshawar.
4. All Administrative Secretaries to Government of Khyber Pakhtunkhwa, Peshawar.
5. All Heads of Attached Departments in Khyber Pakhtunkhwa.
6. All Deputy Commissioners / Political Agents in Khyber Pakhtunkhwa.
7. The Member Board of Revenue, Khyber Pakhtunkhwa, Peshawar.
8. The Registrar, Peshawar High Court, Peshawar.
9. The Chairman, Khyber Pakhtunkhwa Public Service Commission, Peshawar.
10. The Chairman, Khyber Pakhtunkhwa Service Tribunal, Peshawar.
11. All Chief Executives of Autonomous/Semi-Autonomous Bodies/Corporations in Khyber Pakhtunkhwa.

Subject: - **PLACEMENT OF PUBLIC FUND IN COMMERCIAL BANKS**

Dear Sir,

I am directed to refer to this Department letter of even No. dated 10.02.2014 on the subject noted above and to reiterate that Finance Department has allowed/sanctioned Bank account in the commercial bank for various Departments/Autonomous/Semi-Autonomous Bodies/Corporations in Khyber Pakhtunkhwa from time to time for particular and specific purposes.

2. It was instructed vide above referred letter that such accounts be converted to PLS mode and the profit earned be deposited in Government Treasury under the following head of account immediately and not later than a week when declared by the concerned bank:-

C01	Total income from property and enterprise
C018	Total interest on loan – others
C01803	Interest realized on investment of cash balance
PR5562	RCO #

3. It was also instructed that that no funds shall be placed in any commercial banks from the PLAs or Assignment Accounts without prior approval of the Finance Department as contained in Para-6 & 7 of GFR-Volume I.

4. In view of the above, all heads of Government Departments/Autonomous/Semi-Autonomous Bodies/Corporations/Institutions are once again requested to ensure compliance of the Govt. instructions and send quarterly reports of their bank-wise funds placement to the Finance Department on regular basis, positively.

5. Failure to comply with these instructions shall be taken seriously and stern disciplinary proceedings will be initiated against the concerned officer/official.

Yours faithfully,

(HAMMAD RAZA)

BUDGET OFFICER (FUNDS/LOANS)

Endst. No. & Date even.

Copy forwarded to:-

1. The Accountant General, Khyber Pakhtunkhwa.
2. The Managing Director, Bank of Khyber, 24 the Mall, Peshawar Cantt w/r to his letter No.BOK/BO/Govt/130318 dated 13.03.2018
3. PSO to Minister for Finance, Khyber Pakhtunkhwa.
4. PSO to Chief Secretary Govt of Khyber Pakhtunkhwa, Peshawar.
5. PS to Additional Chief Secretary, P&D Department Govt of Khyber Pakhtunkhwa, Peshawar.
6. The Director, Local Fund Audit, Peshawar.
7. Private Secretary to Finance Secretary.
8. PAs to Additional Secretaries/Deputy Secretaries in Finance Department.
9. Director, FMIU, Finance Department with the request to upload the above instruction on Finance Department's website.
10. All Section / Budget Officers Finance Department.

BUDGET OFFICER (FUNDS/LOANS)



Annex-IV 20/9/15

**GOVERNMENT OF KHYBER PAKHTUNKHWA
FINANCE DEPARTMENT**

1-32 ad

NO.1/32-F/L(FD)/2013/AP/Vol:II
Dated Peshawar, the 22nd September 2015

To

All Administrative Secretaries,
Government of Khyber Pakhtunkhwa

Subject:- **REVISED ACCOUNTING PROCEDURE FOR REVOLVING FUND
ACCOUNTS (FOREIGN CURRENCY ASSIGNMENT ACCOUNT)**

Dear Sir,

In continuation of this department's letter of even number dated 04.09.2013 (copy enclosed) on the subject noted above I am directed to state that instruction contained vide Finance Division, Islamabad letter No.F.2(1)BR-II/2007-949 dated 2.8.2013 (copy enclosed for ready reference) regarding Revised Accounting Procedure for Revolving Fund Accounts (Foreign Aid Assignment Account) forwarded with letter under reference duly adopted by this Provincial Government may kindly be implemented in letter and spirit.

Yours faithfully,

H. Raza

(HAMMAD RAZA)
Budget Officer (Funds/Loans)

o/c

Endst.of even No. & Date.

Copy forwarded for information and necessary action to:-

1. The Accountant General, Khyber Pakhtunkhwa, Peshawar.
2. The Secretary P & D Department Govt. of Khyber Pakhtunkhwa, Peshawar.
3. All the Budget Officers in Finance Department

*Copy
29/9/15*

o/c

H. Raza
Budget Officer (Funds/Loans)



1-32 ad

GOVERNMENT OF KHYBER PAKHTUNKHWA
FINANCE DEPARTMENT

276
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NO.1/32-F/L(FD)/2005/AP
Dated Peshawar, the 4th September 2013

To

All Administrative Secretaries,
Government of Khyber Pakhtunkhwa.

Subject:- REVISED ACCOUNTING PROCEDURE FOR REVOLVING FUND
ACCOUNTS (FOREIGN CURRENCY ASSIGNMENT ACCOUNT)

Dear Sir,

I am directed to refer to this Department letters of even No. dated 27.8.2011 and 23.2.2012 on the subject noted above and to enclose herewith photo copies of Finance Division, Islamabad letters No.F.2(1)BR-II/2007-949 dated 2.8.2013 wherein Para II and IV of the Revised Accounting Procedure for Revolving Fund Accounts (Foreign Aid Assignment Account) has been amended by the Finance Division, Islamabad. An amended copy of Revised Accounting Procedure for Revolving Fund Accounts (Foreign Aid Assignment Account) for information and further necessary action.

Yours faithfully,

(HAMMAD RAZA)
Budget Officer (Funds/Loans)

Endst.of even No. & Date.

Copy of above is forwarded for information and necessary action to:-

1. The Accountant General, Khyber Pakhtunkhwa, Peshawar.
2. The Secretary P & D Department Govt. of Khyber Pakhtunkhwa, Peshawar.
3. All the Budget Officers in Finance Department

Budget Officer (Funds/Loans)

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No.F.2(1)BR-II/2007- 949

Islamabad, August 02 , 2013

OFFICE MEMORANDUM

Subject: Revised Accounting Procedure for Revolving Fund Accounts (Foreign Aid Assignment Account).

The undersigned is directed to refer to this Division's O.M.No.F.2(1)BR-II/2007-88 dated 17th January, 2012 & 26th January, 2012 on the subject cited above.

2. Para II and IV of the Revised Accounting Procedure for Revolving Fund Accounts (Foreign Aid Assignment Account), may be read as under:-

- II. (a) The NBP shall be the designated bank for handling all transactions of Revolving Fund Accounts. The foreign currency amounts received under a foreign credit/loan/grant for RFAs shall be translated/ converted into Pak. Rupees at the State Bank of Pakistan's (SBP) Weighted Average Buying Rate of exchange prevailing on the date of transfer of funds by the donors.
- (b) The payments out of RFAs by way of reimbursement to NBP would be translated notionally at the aforesaid SBP rate of exchange at which the foreign currency was purchased by the SBP (date of Receipt of funds from the donor in SBP). The RFAs at NBP branches shall show debits, credits and balance in Pak. Rupees as the funds available to the Project management would be in Pak. Rupees.
- (c) The rate of exchange used for donor reporting purposes by the project authorities would be the rate of exchange applied by State Bank of Pakistan for converting foreign currency into Pak. Rupees for that tranche at the time of receipt of funds in the SBP from the donor. In case of more than one tranches, the rate applied for each tranche will be used for donor reporting purposes and fund received in the first tranche will be utilized first and the unutilized balance shall be attributed to the last tranche.

IV. The RFA shall be lapsable at the end of each financial year. However, the lapsed balance in one financial year will be protected through budgetary allocation in the next financial year.

3. Revised Accounting Procedure for Revolving Fund Accounts (Foreign Aid Assignment Account), after making amendments/corrections is enclosed herewith. It is also clarified that the Revolving Fund Accounts (Foreign Aid Assignment Account) is also applicable to the existing Revolving Fund Accounts.

4. Kindly acknowledge receipt, at the earliest.

Director (Fund,
Finance, E&F Deptt:
Dairy No. 175
Dt. 16/8/13

M. Qamar
24/8/2013
(M. Qamar-Uz-Zaman Farooqui)
Deputy Secretary (BR-II)
Tele: # 9209346

To
All Ministries/Division, Islamabad/Rawalpindi.
Addl. Chief Secretary
Finance Department,
Khyber Pakhtunkhwa

D.No. 9827
Date. 12/8/13

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Copy forwarded for information and similar action to: -

1. The Secretary Finance Department, Government of the Punjab, Sindh, Khyber Pakhtunkhwa, Balochistan, Gilgit Baltistan (Lahore, Karachi, Peshawar, Quetta, Gilgit).
2. The Secretary, Planning & Development Department, Government of the Punjab, Sindh, Khyber Pakhtunkhwa, Balochistan, Gilgit Baltistan (Lahore, Karachi, Peshawar, Quetta, Gilgit).
3. Auditor General of Pakistan, Constitution Avenue, Sector G-5/1, Islamabad
4. Controller General of Accounts (CGA), CGA Complex, Sector G-5/2, Islamabad.
5. Accountant General Pakistan Revenues, (Foreign Aid Section), G-8/4, Islamabad.
6. Additional Chief Secretary, FATA Secretariat, Peshawar.
7. All Financial Advisers/Deputy Financial Advisers, Islamabad/ Rawalpindi.
8. AGPR, Sub-Offices, (Lahore, Karachi, Peshawar, Quetta, Gilgit).
9. All Accountant Generals of the Provinces, Punjab, Sindh, Khyber Pakhtunkhwa, Balochistan, (Lahore, Karachi, Peshawar, Quetta).
10. The Director General, Pak PWD, Islamabad.
11. Director General, Pakistan Postal Services, Islamabad.
12. Chief Accounts Officer, Ministry of Foreign Affairs, Islamabad.
13. The Director, Accounts Department, State Bank of Pakistan, (Central Directorate), I.I. Chundrigarh Road, Karachi (Registered).
14. The Chief Manager, State Bank of Pakistan, I.I. Chundrigar Road, Karachi (Registered).
15. Executive Vice President, National Bank of Pakistan, I.I. Chundrigar Road, Head Office, P.O. Box 4937, Karachi.
16. Director of Accounts, Economic Affairs Division (Accounts Wing), 'C' Block, Pak: Secretariat, Islamabad.
17. Deputy Chief(R&S), Economic Affairs Division, Islamabad.
18. Deputy Secretary(World Bank), Economic Affairs Division, Islamabad
19. Deputy Secretary (Asian Development Bank), Economic Affairs Division, Islamabad.
20. Deputy Secretary(DM), Economic Affairs Division, Islamabad
21. All Joint Secretaries of the Finance Division, Islamabad.
22. Web Administrative, Finance Division, Islamabad (for uploading at Finance Division's Website i.e. www.finance.gov.pk)

Qamar
28/2013
(M. Qamar-Uz-Zaman Farooqui)
Deputy Secretary (BR-II)

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(3)

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DESIGNATED ACCOUNTING PROCEDURE FOR REVOLVING FUND ACCOUNTS
(FOREIGN AID ASSIGNMENT ACCOUNT).

- (I) For a foreign donor-assisted project, a Revolving Fund Account (RFA) in respect of donor financing under loan/credit/grant shall be established at a branch of the National Bank of Pakistan (NBP), separately from the account to be established for the government's share of project financing (counterpart funds) if any required. Such Accounts shall be in the nature of Assignment Accounts.
- (II)
- (a) The NBP shall be the designated bank for handling all transactions of Revolving Fund Accounts. The foreign currency amounts received under a foreign credit/loan/grant for RFAs shall be translated/ converted into Pak. Rupees at the State Bank of Pakistan's (SBP) Weighted Average Buying Rate of exchange prevailing on the date of transfer of funds by the donors.
 - (b) The payments out of RFAs by way of reimbursement to NBP would be translated notionally at the aforesaid SBP rate of exchange at which the foreign currency was purchased by the SBP (date of Receipt of funds from the donor in SBP). The RFAs at NBP branches shall show debits, credits and balance in Pak. Rupees as the funds available to the Project management would be in Pak. Rupees.
 - (c) The rate of exchange used for donor reporting purposes by the project authorities would be the rate of exchange applied by State Bank of Pakistan for converting foreign currency into Pak. Rupees for that tranche at the time of receipt of funds in the SBP from the donor. In case of more than one tranches, the rate applied for each tranche will be used for donor reporting purposes and fund received in the first tranche will be utilized first and the unutilized balance shall be attributed to the last tranche.
 - (A) The 'Foreign Currency' for the purposes of this Procedure would mean the United States Dollar (USD), Euro (EUR), Pound Sterling (GBP), Japanese Yen (JPY), Australian Dollar (AUD), Canadian Dollar (CAD), Swiss Franc (CHF) and any other foreign currency which may be permitted specifically or generally later on by the Finance Division (Budget Wing) in consultation with State Bank of Pakistan (Finance Department), Karachi.
- (III) Separate Revolving Fund Accounts shall be established by the project management at the NBP for each of the Loans/Credits/Grants, and each Revolving Fund Account will be designated a special Sub-Fund Identification Number upon establishment of the account. These individual sub-accounts will together constitute a single but separate account (Child Account) under Central Government Account No.1 (Non-Food) held presently with the

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SBP. The transactions against individual assignment accounts will be recorded and reported along with the other Government balances by the respective office of SBP Banking Services Corporation (SBP-BSC) to SBP Karachi (Finance Department-Government Accounts Division) on daily basis. The reimbursement of payments made by the NBP shall be claimed by NBP from SBP-BSC respective office on daily basis. The State Bank of Pakistan will ensure the reimbursement to NBP within two working days. The balances of the RFAs will be reported in SBP Finance Department Karachi's daily report of the consolidated balances of the Federal/Provincial Government Account along with other Government balances to the Federal/Provincial Government (Finance Division/ Finance Department/Respective AGs). The CGA will issue a Code Classification in the Chart of Account for RFA's . The code for Assignment Accounts for the Government counterpart funding is already allotted/available i.e. G01191. The SBP BSC respective office after making re-imburement to NBP shall prepare a separate Debit (payment) Voucher for each payment out of RFAs for onward submission to FTO Karachi. The Federal Treasury Officer Karachi shall pass the following journal entry:

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Debit: G01-Cheque Clearing Account – Foreign Aid Assignment Account.

Credit: F01-Central Government Account-I – (Non-Food).

- (IV) The RFA shall be lapsable at the end of each financial year. However, the lapsed balance in one financial year will be protected through budgetary allocation in the next financial year.
- (V) If the funds from donors are received in currencies other than US Dollars, these shall be credited in respective Revolving Fund Accounts in Pak Rupees at the prevailing rate of exchange.
- (VI) **Deleted**
- (VII) On receipt of the credit advice in respect of a disbursement of foreign currency funds to the project from donors that must be routed through the SBP Karachi, the SBP's Finance Department will advise the Chief Manager (SBP-BSC) Karachi, to credit Pak Rupee equivalent of the **Foreign Currency** to the Assignment Account (sub account of Central Account-I) under the appropriate Debt or Grant head. The Chief Manager will, in turn, and

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at maximum by the next business day, authorize amount in Pak Rupee credit into the relevant Revolving Fund Account of the project.

a. In the books of FTO/AGPR:

Debit: F01-Central Government Account-I(Non Food)

Credit: E03301-Permanent Debt (Foreign) - Direct or

Credit: C036-Foreign Grants (under relevant detailed head).

(VIII) The (SBP-BSC) Karachi will immediately report the receipt in the Pak Rupee and the equivalent foreign currency to NBP HQ with a copy to respective NBP branch, the relevant Project Director, Planning & Development Division/Department (as the case may be), Economic Affairs Division and Finance Division/Department and AGPR/AG. No Accounting Entry shall be made in the books of DAO/AG/AGPR at this stage.

(IX) On intimation of receipt of funds from SBP BSC Karachi, the respective branch of NBP will record it in the Revolving Fund (Proforma) Account both in Pak Rupee and **Foreign Currency** equivalent under intimation to SBP Karachi, local office of SBP-BSC, relevant Project Director and NBP head office.

(X) In case of receipts on account of projects under the control of Provincial Governments, or Local Governments, Financial and Non-Financial Institutions under the administrative control of the Provincial Governments, the SBP will simultaneously transfer the funds for credit to the concerned Provincial Government Account. The Provincial Finance Department shall ensure that the Budget allocations are available in the Provincial Schedule of Authorized Expenditure. The following Journal Entries will be passed:

1. In the Books of Federal Government:

a. In the books of AGPR:

(i) On receipt of funds from donor:

Debit: F01-Central Government Account-I (Non-Food)

Credit: E03301-Permanent Debt (Foreign)- Direct or

Credit: C036-Foreign Grants

(ii) On transfer of funds to Provincial Government:

Debit: Demand No. & Function - A08-Loans and Advances to Provinces (under the relevant detailed head of account) or

Debit: A052- Grants Domestic (under the relevant detailed head of account)

Credit: F01-Central Government Account-I (Non-Food)

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2. **In the Books of Provincial Government AG:**

Debit: F01-Provincial Government Account-I(Non-Food)

Credit: E03302-Permanent Debt (Foreign) - received from
Federal Government or

Credit: C036-Foreign Grants.

3. **On issue of payment/cheque following entry shall be made (Govt. Department only):**

Debit: Demand No. & Function Code- A-Expenditures (under the relevant detailed head of account).

Credit: G01-Cheque Clearing Account – Foreign Aid
Assignment Account.

(XI) All payments from the Revolving Fund Accounts shall be effected through NBP Cheques/Authorizations issued by at least two persons authorized to sign. The payments into the account in respect of donor funds shall be initiated through withdrawal applications signed by such persons as may be nominated by the project management with the approval of the administrative Ministry/Division/Department. Each project management shall submit, through its appropriate administrative Ministry/Division/Department, its budget for the following year as required for all budgets that will be included in the 'Schedule of Authorized Expenditure' and such budgets shall be prepared and submitted with the information including Grant/Loan No. (Project ID), Project Name/Description, Fund Code, Cost Center, Sub-detailed Function, Detailed Object, consistent with the Government Chart of Accounts and within the Government's budget calendar.

(XII) A. Each project shall prepare its own annual financial statements comprising expenditure from Revolving Fund Account and Direct Payments (showing in three separate columns for RF Account, GOP Assignment Account and Third Party payments) and submit the same to Donor/Lender as well as to external audit as required under the loan/credit/grant agreements. Nevertheless, the project accounts, being sub-accounts of receipts and expenditures under the consolidated fund of the government(s) will be subject to certification as part of the consolidated government financial statements by the Auditor General of Pakistan.

B. **Recording of Commitment:**

i) The Commitment i.e. an obligation to make a future payment, funds for which are allocated in the budget, shall be recorded on memorandum basis against the funds

authorized from Assignment Account in accordance with the criteria laid down as under:-

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- a. Where a valid purchase order is raised and where applicable, a purchase contract (legal undertaking or legally binding) has been entered with the supplier. The amount involved shall be clearly mentioned in the purchase order/contract.
- b. The officer in accordance with the delegation of Financial Powers (who shall be deemed to be the approving officer) shall authorize the commitment.
- c. The commitment shall be recorded when amount involved (expenditure) is above Rs. 0.5 million or 10% of total budget head, whichever is higher.
- d. It shall exclude the following types of payment:-
 - Salaries and related deductions
 - Pension
 - GP fund
 - Loans and advances to employees.

ii). Commitment shall only be raised for those expenditures expected to be paid in the current financial year.

iii) A commitment advice form (Annexure-B) shall be completed by the officer authorized by the delegated authority. The form shall be sent to the DDO along with the relevant purchase order which is in sequential order as set out below:-

- A sequentially numbered purchase order (Annexure-C) shall be raised for all contingent expenditures (excluding salaries and utilities etc.) by the department/entity/project.
- Purchase order shall be approved by the officer who has authority to incur the expenditure.
- The budget availability review clearance form and purchase order (where applicable) will represent the sanction for the expenditure and must shall be sent to **DDO**.

iv) A copy of any contract/agreement shall also be sent with the commitment advice form.

v). Commitment shall be entered into and approved by the delegated authority (approving officer), it shall be recorded by the DDO.

vi) A section to record commitment shall be maintained within the appropriation Control Register (Annexure-D) by the DDO. On receiving Commitment Advice form from the officer authorized the delegated authority, the DDO shall record the commitment in this register.

vii) When the claim voucher related to commitment previously entered into by the delegated officer is received by the DDO, he shall reverse the original commitment entry in commitment section of the appropriation control register upon authorizing payment.

viii) Except as sent out in such Para ix below, a commitment once recorded, must not be reversed unless:

- a. Payment has been made, or

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- b. The purchase order or other legally binding contract has been cancelled and the same-delegated authority entering into the commitment has approved the reversal.
- ix) At the close of the financial year, all outstanding commitments made during that year duly scrutinized by the DDO/MoF and provision made in the next year appropriation (through supplementary budget process) shall be allowed for the reinstatement of valid commitments in the next financial year.
- x) Commitments which are not renewed shall be cancelled.
- (XIII) After the internal agreements containing provision for the opening of Revolving Fund Accounts have been signed, the concerned Ministries/Divisions/Departments and the project implementing agencies will arrange immediate opening of the Assignment Accounts at a branch of the NBP and special instructions for operation of the Accounts, if any, shall be provided to all parties concerned. NBP will, however, open the account after obtaining necessary permission from Exchange Policy Department of SBP Karachi, and will provide a monthly statement of accounts to the project management by the end of first week of the succeeding month. It shall be mandatory for the NBP, in all cases, to mention clearly the name and Account No. of the payee on the Monthly Bank Statement. NBP shall send copy of the Bank Statement on 5th of the following month to SBP which shall be returned by SBP to NBP duly verified by 10th of the month. Even 'Nil' balance shall also be reported by NBP to SBP.
- (XIV) Withdrawal Applications will be prepared and submitted to donors by the project management, requesting the amount of initial deposits/subsequent funding to the Revolving Fund Account through the foreign currency account of SBP Karachi for further simultaneous credit to the Revolving Fund Account (a named sub-account of the Central Account-I) at the concerned branch of the NBP. The assigned identification number of the Revolving Fund Account will be indicated on the Withdrawal Applications. The person authorized to sign Withdrawal Applications and/or operate 'Revolving Fund Accounts' shall furnish copies of the Withdrawal Applications, simultaneously, to their respective Administrative Ministries /Divisions as well as to the Economic Affair Division, NBP Head Office, Karachi, relevant branch of NBP, SBP Finance Department, Karachi and concerned AG/AGPR office.
- (XV) (a) The Finance Managers of the respective projects (or the persons so authorized) shall perform the role of DAO to the extent of authorization for payment within the

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available budgetary limits. He will also be responsible for the reconciliation with NBP, reporting of authorized 'direct payments' to the contractors/suppliers through the donors, and financial reporting. All payments, except for an authorized petty-cash to be notified in writing by the Project Director to the relevant NBP branch, shall be made directly to the recipients through crossed-cheques. Cash payments or funds transfers from Assignment Accounts to any DDO-account or any other account for the sake of onwards disbursements shall be strictly prohibited. The following entries will be made at the time of issue of payment/ cheque out of each Assignment Account:

Debit: Demand No. & Function Code - A-Expenditures (under the relevant detailed head of account)

Credit: G01-Cheque Clearing Account- Foreign Aid Assignment Account (for separate Assignment Accounts).

- (b) In case of projects which have PIFRA connectivity, the recording of expenditure shall be made in real time through system instead of submission of schedule to AGPR/DAO for this purpose after approval of the revised procedure arrangement between AGPR and PIFRA on this subject.

- (XVI) The 'direct payment' shall be noted as a 'third party transaction' for the purposes of reporting and an equivalent amount shall be entered as a 'contra' receipt from the donor to ensure that the fiscal balances match the monetary balances of the project. The project Finance Manager shall be responsible for reporting of third party payments. The project authorities shall make sure that the detail of this payment has been communicated in written to EAD/Finance Division and respective AG/AGPR. The following entry shall be passed for direct payments:

Debit: Demand No. & Function Code - A-Expenditures (under the relevant detailed head of account)

Credit: E03301-Foreign Debt or C036-Foreign Grants (as the case may be).

- (XVII) The consultancy charges payable by the donors shall be paid after verification of services rendered by the consultant, by the concerned Project Director/ Ministry/ Division or by the Provincial Governments. However, in case of foreign training prior approval of concerned Ministry/Division will be required.

- (XVIII) In case there is balance available in **US Dollar/Foreign Currency** at the close or short-close of the project which is required to be refunded to the Donor, the following procedure

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31 shall be adopted for refund of unspent balance:-

- 4:
- i) The project authority shall reconcile the account with the SBP/NBP at the close of the project to work out exact amount of unspent balance, both in PKR and USD/ Foreign Currency, within two weeks of the close of a project.
 - ii) The project authority shall close the Revolving Fund Assignment Account (RFA) with NBP and surrender unspent PKR balance to the government, within two weeks of the close of a project. For this purpose the project authority shall approach SBP (Finance Department), Karachi through respective NBP branch along with detailed credit head of Government account for crediting the surrendered amount in the Federal Government account.
 - iii) Upon approach by the project authority in writing through respective NBP branch, SBP (Finance Department) shall arrange closing of RFA by the respective branch of SBP - BSC within two weeks time and would intimate the same to the project authority, NBP respective branch, NBP Head Office, Exchange Policy Department - SBP and Economic Affairs Division alongwith the reconciled/exact amount of outstanding balance in PKR and USD/Foreign Currency.
 - iv) After receipt of intimation from SBP as at (iii) EAD will reconcile unspent balances with concerned donors within one week's time. The Finance Division shall provide necessary funds in the block allocation of EAD in the Demand "Repayment of Foreign Debt" for refund of loan through normal budgetary process and all refunds in respect of foreign loans shall be charged to this Demand. In case of refund of foreign grants, the concerned Ministry/Division/ Department shall arrange/provide the budget provision in its respective Demand. The concerned Ministry/Division/Department shall intimate the Head of Account and Demand Number to State Bank of Pakistan, Economic Affairs Division for accounting/ booking of refund.
 - v) After receipt of necessary documentation, the EAD shall ensure that the authorization/repayment instructions to SBP in the form of standard central payment authority addressed to the Chief Manager, SBP-BSC (Bank), Karachi are issued within 10 working days.
 - vi) The SBP shall refund outstanding balance to respective donor within 07 days after receipt of complete documentation.

(XIX) In order to record expenditure upon issue of cheques, the concerned Project Authority/DDO shall ensure that the copy of the schedule in the format at Annex-A is received to the concerned AGPR/AG Office on daily basis (or as the cheques are drawn depending on the volume). The copy of the schedule will also be sent to the NBP by the DDO. The Project Authority/DDO shall also provide/submit a statement of account to AGPR/AG on monthly basis.

(XX) The controlling Ministries/Divisions shall reconcile expenditure on account of Foreign Aid with AGPR and EAD on monthly basis. The controlling departments of the Provincial Governments will similarly reconcile the expenditure on foreign aided projects with the AG/Provincial Finance Department. In case of non-reconciliation by 21st of the following month, AGPR/Provincial A.Gs to advise the donor through the EAD to take appropriate action as per the donor's "Financial Management Guidelines".

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Commitment Advice Form

DDO

Date:

DDO Reference No.:

Division/Deptt/Project.

Purchase Order/
Contract Number

Date: of Purchase
Order:

Committed Amount: Rs:

Rupees (in word): _____

Account Code:

Entity

Object

Fund

Function

Project

Supplier/ Contractor Details:
(Name & Address)

Details of Good/
Service under Commitment:

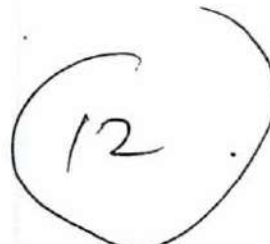
Schedule of Payment:

Prepared by: _____
Approved by: _____

Signature: _____
Signature: _____

Date: _____
Date: _____

Embossing
Seal:





GOVERNMENT OF KHYBER PAKHTUNKHWA
FINANCE DEPARTMENT

Annex-V

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Finance Department Civil Secretariat Peshawar

<http://www.finance.gkp.pk>

[facebook.com/GoKFPD](https://www.facebook.com/GoKFPD)

twitter.com/GoKFPD

Assig: A/c-s

No.5/139(F/L)/FD/2019/Vol-III
Dated Peshawar the 7th May, 2019

To

1. The Additional Chief Secretary, P&D Department Govt of Khyber Pakhtunkhwa, Peshawar.
2. The Senior Member Board of Revenue, Khyber Pakhtunkhwa, Peshawar.
3. The Principal Secretary to Chief Minister, Khyber Pakhtunkhwa, Peshawar.
4. The Secretary to Governor, Khyber Pakhtunkhwa, Peshawar.
5. All Administrative Secretaries to Government of Khyber Pakhtunkhwa, Peshawar.
6. All Heads of Attached Departments in Khyber Pakhtunkhwa.
7. All Deputy Commissioners in Khyber Pakhtunkhwa.
8. The Member Board of Revenue, Khyber Pakhtunkhwa, Peshawar.
9. The Registrar, Peshawar High Court, Peshawar.
10. The Chairman, Khyber Pakhtunkhwa Public Service Commission, Peshawar.
11. The Chairman, Khyber Pakhtunkhwa Service Tribunal, Peshawar.
12. All Chief Executives Autonomous/Semi-Autonomous Bodies/Corporations in Khyber Pakhtunkhwa.

Subject: - **REVISED PROCEDURE FOR OPERATION OF ASSIGNMENT ACCOUNTS OF FEDERAL GOVERNMENT (LOCAL CURRENCY)**

Dear Sir,

I am directed to refer to the subject noted above and to enclose herewith Controller General of Accounts, Islamabad letter No.916/CGA/A.A/RP-2018(L.C) dated 16.10.2018 alongwith Revised Procedure for Operation of Assignment Accounts of Federal Government (Local Currency) duly approved by the Finance Division, Government of Pakistan, Islamabad for strict compliance and implementation please.

Enc:As above.

Yours faithfully,

(HAMMAD RAZA)
BUDGET OFFICER (FUNDS/LOANS)
Phone Off: 091-9210436

Endost: No. & Date even.

Copy forwarded to:-

1. The Accountant General, Khyber Pakhtunkhwa for information and necessary action.
2. PSO to Chief Secretary Govt of Khyber Pakhtunkhwa, Peshawar.
3. The Director, FMIU, Finance Department with the request to upload the above instructions on Finance Department's website.
4. The Director, Local Fund Audit, Peshawar.
5. All Section / Budget Officers in Finance Department for necessary action.
6. Private Secretary to Finance Secretary.
7. PAs to Additional Secretaries/Deputy Secretaries in Finance Department.

BUDGET OFFICER (FUNDS/LOANS)



GOVERNMENT OF PAKISTAN
OFFICE OF THE
CONTROLLER GENERAL OF ACCOUNTS

CGA Complex, FBC Building, Sector G-5/2.

ISLAMABAD

Ph No:051-9213460, Fax No:051-9213460

No.916/CGA/A.A/RP-2018 (L.C)

Dated:16.10.2018

All PAOs / Federal Secretaries,
Ministry of
Islamabad.

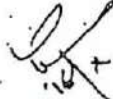
Subject: **REVISED PROCEDURE FOR OPERATION OF ASSIGNMENT ACCOUNTS OF FEDERAL GOVERNMENT (LOCAL CURRENCY).**

Kindly refer to Finance Division letter No. F.2(2)-BR-II/2008-948/18 dated 12.10.2018 on the above subject. (Annexure-I)

2. The Finance Division has approved the "REVISED PROCEDURE FOR OPERATION OF ASSIGNMENT ACCOUNTS OF FEDERAL GOVERNMENT (LOCAL CURRENCY)".

3. The Revised procedure is enclosed for information and necessary action. The comments, if any, may also be furnished for consideration. (Annexure-II)

Enclosure: (02)


(JIBRAN KHAN DURRANI)
Assistant Controller General
(Accounts)

Copy forwarded for information and necessary action to:

1. The Director General (Policy), Office of the Auditor-General of Pakistan, Islamabad.
2. The Accountant General Pakistan, Revenues, Islamabad/Sub-Offices, Karachi, Lahore, Peshawar / Quetta / Gilgit with the request to please comments on the same in case of any observation.
3. The Accountant General Punjab/Sindh/Khyber Pakhtunkhwa/Balochistan/Gilgit Baltistan with the request to please comments on the same in case of any observation.
4. The Jr. Joint Director, State Bank of Pakistan, I.I. Chundrigar Road, Karachi for issuance of necessary instructions.
5. The Vice president, National Bank of Pakistan (Head Office), I.I. Chundrigar Road, Karachi for issuance of necessary instruction to NBP branches.
6. The Federal Treasury Officer, Islamabad / Karachi.

CC:

1. The Provincial Secretaries Punjab/Sindh/Khyber Pakhtunkhwa/Balochistan and Gilgit Baltistan.
2. Mr. Javed Iqbal Khan, J.S (Budget Implementation), Finance Division, Islamabad with reference to their letter No. F.2(2)-BR-II/2008-948/18 dated 12.10.2018

(1)

Applicable w.e.f. 1st July, 2018

**REVISED PROCEDURE FOR OPERATION OF ASSIGNMENT
ACCOUNTS OF FEDERAL GOVERNMENT (LOCAL CURRENCY)**

The procedure relating to Assignment Accounts has been revised. Features of the revised procedure are as under:-

1. **General Policy**

- i. The revised procedure of Assignment Account is applicable to Federal Government as well as the Provincial Governments with immediate effect. To ensure uniformity in fiscal operations, Special Drawing Accounts (SDAs), Personal Ledger Accounts (PLAs) and Revolving Fund Accounts (Local Currency) will be discontinued by Federal and Provincial Government departments.
- ii. Assignment Accounts shall only be established/opened with the approval of Ministry of Finance (MoF) for the Federal Government and respective Finance Departments for the Provincial Governments.
- iii. Requests for opening of Assignment Account duly authorized by the concerned Principal Accounting Officer will be considered by MoF on case to case basis through set criteria.
- iv. Assignment Accounts will be part of Consolidated Fund. Amounts remaining unspent at the close of financial year will appear as saving under the respective budget grant surrendered in time. Unspent ceiling/balance in assignment accounts will not be carried forward in the next financial year.
- v. Assignment Accounts are opened, both for development and non-development budget, as per the criteria laid down by the MoF. In case of development budget, a separate assignment account shall be opened for each project. The Assignment Account will not be used for collection and deposit of receipts.
- vi. Assignment account shall be opened only in the jurisdiction of AG/AGPR/DAO concerned. The location of assignment account and profit center for budget allocation must be same.

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vii. Ministries/Divisions/Depts/Subordinate-Offices/Projects/Organizations where government funding is an exclusive source of financing and those who submit their claims to AGPR/AG/DAO shall not be allowed Assignment Accounts.

viii. The Assignment Account opened for a specific project, activity or entity will not be used for any other purpose. Commercial account(s) and assignment-account(s) will not be interlinked in their operations for any purpose. Besides, the assignment account(s) will not be used for collection and deposit of receipts.

ix. Availability of funds, as authorized by Accountant General Pakistan Revenues/District Accounts Office (AGPR/DAO) concerned will be ensured before each payment by National Bank of Pakistan (NBP).

x. On receipt of approval letter from Ministry/Division/Department duly endorsed by MoF allowing an Assignment Account in Form-A, the AGPR/DAO will authorize opening of Assignment Account at the designated branch of the National Bank of Pakistan in Form-B. The letter of Assignment Account shall specify the following detail:

- a) Title of Account.
- b) The Bank branch from where it shall operate
- c) Authorized cheque signatories and specimen signatures.
- d) Budget Head from which the allocation of funds will be made.
- e) Any other condition for operation of the account.

xi. As per Federal Treasury Rule.(FTR) 170-B, the authorization letter will be issued directly to NBP by the AGPR/AG/DAO. The cheque book of Assignment Account will also be supplied to authorized cheque signatories by the AGPR/AG/DAO. A copy of this authorization will be furnished to TO/DAO for information, where applicable.

xii. The Ministry/Division/Department will issue sanction letter (as per prescribed procedure) for placement of amount as ceiling in Assignment Account as per Form-C. On receipt of the sanction letter, the

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AGPR/AG/DAO will authorize the Manager NBP concerned for the ceiling as per Form-D.

xiii. National Bank of Pakistan will share IT based data i.e. Number, title, entity, ceiling, utilization, closing balance, details of payee, etc., of all the Assignment Accounts operated by the respective departments to MoF and to the Provincial Government(s) on weekly basis.

xiv. In case of any unauthorized operation, MoF will issue necessary directions to the NBP for immediate closure of the said Assignment Account. NBP will do the needful accordingly within three working days.

xv. The dormant Assignment Accounts which have either not received funds from the Government or no transaction took place for the last three years, will be closed by NBP under intimation to MoF and AGPR/AG/DAO concerned.

2. Control of Expenditure

i. The authorities using the assignment account(s) are responsible for enforcing financial order and strict economy at every step and for observance of all relevant financial rules and regulations.

ii. The authorities using the assignment accounts must ensure that not only the total expenditure is kept within the limits of the authorized appropriation but also that the funds allocated to spending units are expended in the public interest and upon objects for which the money was provided. In order to maintain a proper control, the authorities should put in place a monitoring mechanism to know not only of what has actually been spent from an appropriation but also what commitments and liabilities have been and will be incurred against it. They must be in a position to assume before Government and the Public Accounts Committee for necessary codal responsibilities for departmental expenditures and to explain or justify any instance of excess or financial irregularity that may be brought to notice as a result of audit scrutiny or otherwise.

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iii. The PAO/competent authority, in order to improve internal controls, shall establish an Internal Audit Cell as per provisions of Para 13 of GFR Volume-I in consultation with CGA office.

iv. The incurrence of expenditure shall be subject to provisions contained in GFR and Treasury Rules and certificate to that effect may be incorporated in the schedule before submission to AGPR.

3. Recording of Expenditure

i. The expenditure will be recorded in the accounts on endorsement of cheques of Assignment Accounts by the AGPR/AG/DAO. In order to record expenditure, the concerned Drawing and Disbursing officer (DDO) will supply the cheques alongwith copy of schedule (Annex-A) signed by the authorized signatories to AGPR/DAO on daily basis before presenting to the bank. The schedule will provide the expenditure coding details of cheques drawn including the beneficiary's/payee's bank/branch name, code, location and account number. Authorized signatories, DAO/TO/AG/GPR and NBP shall be responsible to ensure that the particulars as per cheque and schedule are not different. The cheque issuing authorities shall ensure compliance with all relevant rules and regulations. The AGPR/AG/DAO will, at the time of endorsement of the schedule, see that sufficient budget in the relevant head of account is available and information including that of payee(s) is sufficient for the purpose of accounting. The following entry in the accounts will be recorded by AGPR/DAO on receipt of cheques/schedule:

- i. Dr Detailed expenditure head (as per CoA)
- ii. Cr G01191-Assignment Account Cheques.

ii. On making endorsement on cheque, AGPR/DAO will issue a schedule of cheques to NBP and DDO duly signed by the authorized officer for verification of payment by the Bank/reconciliation by DDO. The NBP head Office, Karachi will issue necessary instructions to their branches that no payment will be made against any Assignment Account cheque unless it is endorsed and the schedule thereof is provided by AGPR/DAO to them.

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- iii. The officers holding Assignment Accounts will ensure that no cheque is drawn on Assignment Accounts, unless it is required for immediate disbursement to the goods/services provider. Cheque(s) will not be drawn for deposit into chest or any bank account maintained by the entity. A certificate to this effect will be recorded on the Schedule of Payment.
- iv. AGPR/DAO will endorse only those cheques, which are drawn in the name of contractor/supplier/vendor/salaried individuals only in lieu of their payments on account of purchases, supplies, salaries etc. Moreover, AGPR/DAO will not endorse any cheque, under any circumstances, which are drawn in the name of project authorities or drawer/payer for lump sum transfer of funds from Federal Consolidated Fund/Central Account No.1 to their commercial bank account(s) or deposit in to any chest.
- v. National Bank of Pakistan will bounce/dishonour the cheque drawn in the name of project authorities or drawer/payer and ensure that money is not drawn from Assignment Account for deposit or transfer into any bank account maintained in the name of project authorities. Any such instance reported to the MoF will be dealt with strictly.
- vi. NBP will provide scroll with paid cheques of Assignment Accounts (local currency) to AGPR/AG/DAO on daily basis or as the payments are made. The debit on account of the cheques paid will continue to be sent by NBP through Bank scroll as per existing practice. The following entry will be passed in DAO/Treasury Accounts by the DAO/TO:
- i. Dr G01191-Assignment Account Cheques
 - ii. Cr Bank Account
- vii. The limit of amount in cash drawn in favour of DDO shall be finalized/approved with consultation of Finance Division as per rules.
4. Establishment of Sub-Assignment Account(s): Sub-Assignment Account(s) shall be established/opened in accordance with the following procedure:
- i. Sub-Assignment Account(s) shall be allowed on the basis of a given benchmark/criterion. The Benchmark/Criterion shall include variables such as Budgetary Arrangements, Geographic Location(s), Number of Field Offices, and other relevant variables/considerations.



- ii. Sub-Assignment Account(s) shall be opened with the approval of Ministry of Finance/Finance Departments, on the recommendation(s) of the Principal Accounting Officer concerned.
- iii. The Sub-Assignment Account(s) shall be operated/maintained in designated branches of NBP.
- iv. Sub-Assignment Account(s) shall be constituted under the main assignment account. All sub-Assignment Account(s) will be tagged with CIF (Customer Information Folio) of the main Assignment Account by NBP through IT system.
- v. Intimation regarding opening of Sub-Assignment Account(s) with details of signatories duly authorized by the respective PAO shall be sent by Finance Division/Finance Departments to AGPR/AG/DAO. Subsequently, AGPR/AG/DAO shall send it to NBP. The signatories of Sub-Assignment Account(s) shall be different from those of main account.
- vi. National Bank of Pakistan will supply separate cheque books in respect of Sub-Assignment Account(s) to the authorized signatories. The List of Authorized Signatories will be communicated to NBP by the respective AGPR/AG/DAO/TO.
- vii. The Ministry/Division/Department will communicate the sanction to AGPR/AG/DAO/TO for placement of amounts as ceiling with clear cut bifurcation of each Sub-Assignment Account as per Annexure to Form-C. The sanction shall be endorsed by the Finance Division, where applicable under the rules. On receipt of the said sanction, the AGPR/AG/DAO/TO will authorize ceiling in Form-D along with the ceiling detail of each Sub-Assignment Account to the Manager, NBP maintaining the main Assignment Account. No modification/change will be made in the ceilings fixed for Sub-Assignment Account after the issuance of authorization letter by the Account Office concerned.
- viii. The Manager NBP maintaining the main Assignment Account will arrange ceiling for the Sub-Assignment Accounts as per break-up provided by the concerned Account Office for each Sub-Assignment.

[Handwritten signature]

43

- ix. The authorized signatories of the Sub-Assignment Account(s) will issue separate cheque against each object code (Head of Account) and present the same in the designated branch of NBP alongwith schedule of cheques (Annex-A) after applying financial rules, regulations and fulfilling all codal formalities. It shall be mandatory on the part of NBP to see that accounting classification (cost centre and object code) is clearly written on the schedule of cheques in Annex-A. The cost centres and object code(s) shall also be recorded on the back of each cheque. Any cheque without such information will be returned by the NBP concerned branch.
- x. Payment will be made by the said branch immediately after necessary verification of authorized ceiling for the Sub-Assignment Account, details of authorized signatories etc.
- xi. The branch Manager concerned of NBP will make payments against sub-Assignment Account cheques which are drawn in the name of contractor/supplier/vendor/salaried individuals only in lieu of their payments on account of purchases, supplies, salaries etc. He will not honour the cheque of sub-Assignment Account which is drawn in the name of project authority, drawer/payer, any schedule bank etc and will not, under any condition, make payment. Any such instances reported to MoF will be dealt with strictly and reimbursement claimed by NBP on that account will not be entertained by SBP.
- xii. After payment, the branch concerned of NBP will immediately send the payments to the NBP Branch maintaining main assignment account for reimbursement from SBP. The concerned Branch of SBP shall reimburse the payments to the NBP as per existing practice and shall issue debit voucher containing necessary accounting detail (Cost Centre and object classification) to the respective FTG/TO/DAO.
- xiii. For the Federal Government, NBP Main Branch Islamabad will be Focal Branch where main assignment accounts will be maintained by the project authorities/entities. Any intimation/correspondence with regard to opening of Assignment/sub-Assignment Account, change of signatories, budget ceilings etc will be communicated to the Chief Manager, NBP Main Branch

[Handwritten signature]

Islamabad. Further action will be ensured by the NBP Main Branch Islamabad.

- xiv. National Bank of Pakistan will share IT based data i.e. Number, title, entity, ceiling, utilization, closing balance, details of payee etc of all the sub-Assignment Accounts operated by the respective departments to MoF and to the Provincial Government(s) on weekly basis. The same will be examined by the AGPR/DAO and MoF/Finance Departments and if any unauthorized payment has been made by NBP, appropriate directions will be issued by MoF/Finance Departments to NBP for blocking further payment from the said sub-assignment account. Necessary disciplinary action may also be recommended to the NBP management against the delinquent branch officials.

5. Budgeting and Reconciliation.

- i. The withdrawing entities shall be responsible for preparation and submission of detailed budget estimates to the Ministry of Finance through Ministries/Divisions for budgeting purposes. The practice of allocating one line budget shall be discontinued.
- ii. On a monthly basis, the NBP shall send a bank statement to the drawing authorities/DDO in respect of each assignment account that it maintains.
- iii. The withdrawing entities shall be primarily responsible for accounting of expenditure on a daily basis. On the basis of this record and the bank statement, the drawing authorities will render classified account of expenditure to the AGPR/DAO on a monthly basis (by 10th of each month for reconciliation of expenditure). The variations, if any, will be reconciled and appropriate entries shall be made to update the accounting records. Monthly/quarterly release of funds will be subject to reconciliation with AGPR/AG/DAO.
- iv. National Bank of Pakistan will report the account remaining undrawn against the authorized ceiling at the close of a financial year to AGPR/DAO/PAO in respect of each Assignment Account within a week.

6. Post Audit

The drawing authorities will submit monthly account of expenditure with copies of paid vouchers to the AGPR/DAO concerned for post audit purpose

45

10

by 15th of each month who will carry out 100% post audit. The AGPR/DAO will issue a certificate of post audit by the end of month to the DDO concerned.

7. Exceptions

- i. The above mentioned revised procedure will not be applicable to the existing Assignment Accounts opened for Self Accounting Entities(SAEs)/ departmentalized Accounting offices and to those accounts in which the government does not provide funds from Consolidated Fund.
- ii. The procedures prescribed for Revolving Fund Account (Foreign Currency Assignment Account) as amended vide Finance Division letter No.F.2.(1)-BR-II/2007-88, dated 17.01.2012 will be followed for Foreign Currency Assignment Account.

FORM-A

(Sanction for opening of Assignment Account/Sub-Assignment Account)

Ministry/Department _____
Division _____
Attached Department _____

No. _____

Islamabad, the _____, 200X

From: _____

To: The Accountant General

Subject:- OPENING OF LAPSABLE ASSIGNMENT ACCOUNT/SUB
ASSIGNMENT ACCOUNT IN PAK RUPEE TITLED "_____

_____"

Dear Sir,

I am directed to convey the approval of the competent authority for opening of Lapsable Assignment Account/Sub-Assignment Account in Local Currency for _____ titled "_____" at National Bank of Pakistan (NBP) _____ Branch, _____.

02. The above account will be operated jointly by Mr/Mrs/Ms _____ and Mr/Mrs/Ms _____ whose specimen signatures duly attested are attached herewith in triplicate.

03. It is therefore, requested that necessary authority may kindly be issued to NBP for the opening of Lapsable Assignment Account at National Bank of Pakistan (NBP) _____ Branch _____.

04. The above account will be operated /maintained in accordance with the approved revised procedure circulated by the CGA vide No. _____ Dated _____.

05. The funds in the assignment account will be provided through sanctioned Current/Development budget grant.

47

12

Government of Pakistan
Finance Division
(BR Wing)

No. _____

Islamabad, the _____, 200x.

Forwarded to Accountant General Pakistan Revenues, Islamabad for further necessary action.

Name _____
Designation _____
Tele _____

Copy forwarded for information to:

1. The Controller General of Accounts, Islamabad
2. The concerned DAO/FTO/TO
3. The Deputy Financial Adviser _____ Division, Islamabad.
4. The Director General Audit, _____ Government, _____

A.O(TM Section)
AGPR, Islamabad



FORM - B

(Authority to NBP for opening of Assignment Account/Sub-Assignment Account)
**OFFICE OF THE
ACCOUNTANT GENERAL PAKISTAN REVENUES
G-8/4 ISLAMABAD**

No. _____ Dated _____ 200x

To-
The Manager
National Bank of Pakistan

Subject:- OPENING OF LAPSABLE ASSIGNMENT ACCOUNT/SUB-
ASSIGNMENT ACCOUNT IN PAK RUPEE TITLED" _____

In pursuance of _____ Division, Islamabad letter
No. _____, dated _____ bearing Finance Division Budget Wing
endorsement No. _____, dated _____, you are hereby
authorized to open a lapsable Assignment Account/Sub-Assignment Account with the
above title in the National Bank of Pakistan, _____ Branch at _____.

02. The Account shall be subject to the conditions annexed to this
authority.

03. Specimen signature of the officers authorized to operate the Account
jointly by Mr/Mrs/Ms _____ and Mr/Mrs/Ms. _____
_____ are enclosed.

Encl: As above

(_____)
Assistant Accountant General/Accounts Officer
Tele _____

Copy to:

- 1. The Director General Audit, Federal Audit, Islamabad.
- 2. Project authority
- 3. Mr, _____, DS (BR-II), Finance Division, Islamabad.
- 4. The Branch Officer; Special Seal Authority, etc Local.

(_____)
Assistant Accountant General/ Account Officer

49

56

OFFICE OF THE
ACCOUNTANT GENERAL PAKISTAN REVENUE
G-8/4, ISLAMABAD.

No.....

Conditions for Opening-of Lapsable Assignment Account, in Pak Rupees, for the project-Titled "....."

1. The revised procedure of assignment account circulated vide No. dated will be followed.
2. The account will be operated jointly by following two officers:
 - a. Mr/Mrs/Ms
 - b. Mr/Mrs/Ms
3. The above account shall be lapsable at the end of each financial year.
4. Regular accounts of the expenditure out of this Assignment Account will be auditable by the Auditor General of Pakistan.
5. The above terms are subject to modification from time to time for better financial discipline.

Name.....
Assistant Accountant General/ Account Officer
Tele.....

15

30

FORM - C

(Sanction for Placement of Funds in Assignment Account/Sub-Assignment Account)

No. _____

Government of Pakistan

Ministry of _____

Islamabad the _____ 200x.

The Accountant General
Pakistan Revenues,

Subject:- **SANCTION FOR PLACEMENT OF AMOUNT AS CEILING IN
THE ASSIGNMENT ACCOUNT/SUB-ASSIGNMENT
ACCOUNT RELATING TO _____**

Dear Sir,
I am directed to convey the sanction of the President of Islamic Republic of Pakistan to the placement of an amount of Rs. _____ (Rupees _____ only) in the assignment account titled _____ as ceiling for the quarter/month _____ of the current financial year 200x-200x.

2. It is requested that the Manager National Bank of Pakistan _____ Branch _____ may be advised to arrange payment against above mentioned ceiling of Rs. _____ on the receipt of cheque and prescribed schedule of payment duly signed by the authorized signatories of the account.

3. The above assignment of funds has been made against budgetary allocation in Grant No. _____ Cost centre _____ bearing Function-cum-Object Classification _____ for the year 200x-200x to which the expenditure may be debited in accounts.

Yours faithfully,
Name _____
Designation _____
Tele _____

No. _____

Government of Pakistan
Finance Division
(FA's Organization)

Islamabad the _____ 200x

15

FORM T.R. 11 B.)
(See Rule 170 B.)

FORM - D

Office of the Accountant General
Pakistan Revenues -----
Dated the

No.....

To
The Manager
National Bank of Pakistan

Sub:- AUTHORIZATION FOR PLACEMENT OF FUNDS IN ASSIGNMENT
ACCOUNT No. ----- TITLED.....

In pursuance of Govt. of Pakistan Ministry of
.....sanction letter No..... dated
.....duly endorsed by the Finance Division vide their No..... dated
....., you are hereby authorized to arrange payments upto a ceiling of Rs.
(Rupees.....only) from the assignment account titled
"....." allowed for the quarter/ month.....of the
current financial year 200x-0x.

2 The amounts may be paid on receipt of assignment account cheques signed by
the authorized signatories of the account after verification from the schedule of
cheques received in the banks.

3 --The above authorization of funds has been made against budgetary allocation
in Grant No..... Cost Centre..... bearing Function-cum- Object
classification.....
..... for the
year 200x-0x to which expenditure is debitable in accounts.

4 The paid cheques with a copy of the scroll may be provided to this office on
next working day. The debit on account of paid cheques may be passed on through
daily accounts to the Treasury/DAO as per existing practice.

5. Re-imbusement for such payments will be made by the State Bank of Pakistan on receipt of claim from the Head Office of the National Bank of Pakistan.

6. The Assignment Account will be maintained only to keep a record of withdrawals out of them by their authorized officer and no receipts will be creditable to the said Account.

7. The amount remaining un-utilized at the close of the financial year would lapse. It is, therefore, requested that the amount remaining un-utilized on the 30th June each year may be intimated to this office immediately after the close of financial year. The amount remaining un-utilized may be determined after providing for cheques already issued before the close of the year as per schedule of cheques received by 30th June.

8. Please acknowledge receipt.

(Signature)
(Designation)
Dated the.....

No.....

Copy forwarded tofor information and necessary action.

The authorization made in the above letter is subject to the condition that no moneys would be drawn from the assignment account unless they are required for immediate disbursement. No cash shall be drawn from an Assignment Account except for imprest and in such limit as will be sanctioned by the Finance Division.

(Signature)
(Designation)

copy forwarded to Manager, State Bank of Pakistan,for information and necessary action.

(Signature)
(Designation)

53

ANNAX - A

SCHEDULE OF ASSIGNMENT ACCOUNT CHEQUES

Sr. No: _____

Date: _____
(per Numbered)

Name of Deptt and DDO: _____

Assignment A/c Name and No: _____

Cost Center _____

Project Description _____

Project Code _____

SUB-Detailed Function _____

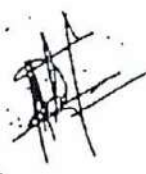
Grant No _____

Serial no.	Cheque no	Date of cheque	Payee's Name	Amount (Rs)	Detailed Object Code

Certificate

It is certified that money being drawn through above cheque/cheques is required for immediate disbursement and will not be kept in any bank account.

DDO's Signatures and /stamp



Commitment Advice Form

ANNEX - B

DDO	<input type="text"/>	Date:	<input type="text"/>
DDO Reference No:	<input type="text"/>		
Division/Deptt/Project	<input type="text"/>		
Purchase Order/	<input type="text"/>	Date of Purchase	<input type="text"/>
Contract No	<input type="text"/>	Order:	<input type="text"/>

Committed Amount: Rs:

Rupees (in words)

Account Code:

Entity
Object
Fund
Function
Project

Supplier/ Contractor Details:
(Name & Address)

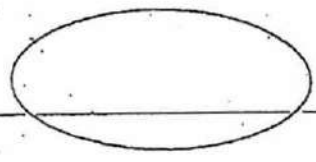
Details of Good/
Service Under Commitment:

Schedule of Payment:

Prepared by: _____ Signature: _____ Date: _____

Approved by: _____ Signature: _____ Date: _____

Embossing Seal



[Handwritten scribble]

(18)

ANNEX - E

PROJECT EXPENDITURE STATEMENT

Month/Year

Brief Description of the project:

- Budget for the project
- Expenditure during the month
- Progressive expenditure during the year
- Upto-date expenditure since beginning of the project

Current Year	Previous Year

DDO's Signature and Stamp

