Government of Jammu & Kashmir
July, 2020

Promoting Good Governance
(2019-2020)

Finance Department

JK PaySys
B.E.A.M.S
Mera Vetan
 Responsible Banking

JKIDFC
CRISP
e-Kuber
 Financial Discipline

Growing Economy

Mandatory AA, e-Tendering
GEM procurement compulsory
Procurement Guidelines issued

30% increase in completion of works incentivized by reforms
JKPaySys - An online billing system

BEAMS - A Realtime Budget Estimation Allocation Monitoring System

Mera Vetan - Employee friendly salary tracker mobile application

e-Kuber - A standardized e-payment system devised by Reserve Bank of India for clearing of bills on time

CRISP - An initiative for Channelizing of Resources into System Pool by identifying the parked funds in various accounts of Government Departments and their remittance into consolidated fund

JKIDFC - A Government Company created for funding of Languishing Projects
It gives me immense pleasure to note that Finance Department has come up with a document showcasing measures for promoting good governance during the last one year.

Finance Department has played an immensely significant role in institutionalising systems after creation of UT of J&K. Whether it was setting up of Consolidated Fund, Public Account, Contingency Fund, or landmark budget of over one lakh crore for Financial Year 20-21, or institutionalizing mandatory e-Tendering, Accord of Administrative Approvals, Technical Sanctions or Budget Estimation and Allocation Monitoring System and Physical Verifications, it has been in the forefront of path breaking reforms.

Completion of over 600 projects languishing for several years, some for decades, through JKIDFC is symbol of changing work culture in the UT. The healthy growth achieved in GST, Excise Duty, Stamp Duty, MST, etc till onset of Covid lockdown would not have been possible without collective and sincere efforts.

I shall like to compliment the entire finance team for their achievements and I am happy to see that these efforts have been depicted in this Coffee Table Book.

G. C. Murmu
Financial Commissioner,
Finance Department
Jammu & Kashmir

Dr. Arun Kumar Mehta
IAS

Message

Finance Department has come up with its first publication depicting the department’s achievements during the financial year 2019-20. The objective is to document the initiatives taken up during last one year so as to create a reference point for future, particularly in view of landmark merger of finance and planning functions in UT of J&K. Finance Department now plays a vital role not only in management of fiscal and tax policies across Jammu and Kashmir, but also planning for development and monitoring of expenditure outcomes.

Finance Department has been at the forefront of reforms in UT of J&K during last year. The number of pathbreaking reforms institutionalized last year such as mandatory e-tendering, Accord of Administrative Approvals, Technical Sanctions, BEAMS, online submission of bills to treasuries through PaySys, complete physical verifications, setting up of District Planning and Development Boards as per 73rd Constitutional Amendment Act and key reforms in J&K Bank, has immensely improved transparency and accountability in the UT and has set it on a path of robust growth.

The Jammu and Kashmir Infrastructure Development Finance Corporation has set an example of how projects languishing for years can be completed expeditiously by physically finishing over 600 projects. Even in terms of growth of resources of the UT, growth in GST collection at 8.8 %, which is above the national average, growth in Excise Duty collection at 7%, MST at 3.5 % etc firmly indicates that J&K economy continued on a path of growth during transition, despite numerous challenges it faced, which was possible due to willingness of the functionaries of the Finance Department to positively respond to emerging challenges.

One of the striking features of 2019-20 has been the fact that significantly greater numbers of projects have been completed during the year than the previous year, despite multiple challenges. As per reports from the departments, 10550 projects have been completed under various sectors in 2019-20 as against 8106 in 2018-19.

In fact, there were long spells in which the Finance team worked through late nights to ensure seamless financial transition post creation of UT. This compilation is a glimpse of the achievements of Finance Department, under the able guidance of Hon’ble Lt Governor during the last one year and I hope it shall serve as a good reference material for all concerned stakeholders.
## Contents

| 1 | Management of transition of J&K from State to Union Territory.................................1 |
| 2 | Ensuring Financial Discipline....................................................................................4 |
| 3 | Revenue Mobilization...............................................................................................6 |
| 3.1 | State Taxes...............................................................................................................6 |
| 3.2 | Excise.....................................................................................................................9 |
| 4 | Improved Treasury Management................................................................................11 |
| 4.1 | e-Kuber..................................................................................................................11 |
| 4.2 | JKPaySys..............................................................................................................12 |
| 4.3 | Mera Vetan............................................................................................................15 |
| 4.4 | CRISP..................................................................................................................18 |
| 5 | BEAMS...................................................................................................................20 |
| 6 | Key Overarching Sectoral Reforms...........................................................................23 |
| 7 | Reforms & Improvements made in the functioning of the Bank.................................24 |
| 8 | Jammu & Kashmir Infrastructure Development Finance Corporation..........................30 |
| 9 | Completion of Annual Accounts and Statutory Audit by the PSUs.............................33 |
| 10 | Completion of Projects............................................................................................34 |
| 11 | Appendix................................................................................................................35 |
1. Management of transition of J&K from State to Union Territory

Post creation of UT as per J&K Re-organization Act, 2019 w.e.f 31st October, 2019, several significant milestones were achieved well in time that ensured smooth financial transition, without any disruption, a key concern during the period.

➢ Timely preparation of 4 Budget Documents
  • Budget for 5 months period between 31.10.2019 to 31.3.2020, 07 months revised budget for period between 1.4.2019 to 30.10.2019 was prepared in a time bound manner.
  • Budget of 2020-21 prepared in a very tight time frame.
  • Budget of Ladakh for period between 31.10.2019 to 31.3.2020.
  • Timely submission of these budgets ensured that necessary authorization for incurring expenditure after creation of UT of J&K was available in time.
  • Authorisation for incurring Expenditure conveyed to Departments on 1st November, 2019 itself.
➢ Creation of Consolidated Fund, Public Accounts and Contingency Fund of J&K

- Consolidated fund of U.T of J&K was created vide G.O No.424-F of 2019 dated 04-09-2019 and came into existence on 31.10.2019, enabling seamless receipt of funds and incurring of expenditure.
- Similarly, Public account of U.T of J&K created vide G.O No.424-F of 2019 dated 04-09-2019 to ensure receipts under resources & deposit heads after transaction.
- Contingency Fund was created vide S.O. 08, dated 11th of November 2019.
- The institutional arrangements were also set up well in time.

➢ Timely Completion of Borrowing Arrangements

- Arrangements for market borrowing (State Development Loans), Over Draft and Ways and Means Advance with RBI with approval of Ministry of Home affairs was arrived at in November, 2019.
- Borrowing pre-requisites were completed with NABARD and other agencies-enabling timely management of liquidity.

➢ Delegation of Powers:

A fresh Delegation of Powers was issued, within the provisions of J&K Reorganization Act, 2019, and delegation consistent with size and population of J&K was worked out so that Government Business in UT of J&K could be carried out without unnecessary restrictions. The final delegation approved has created enabling environment for development of the UT.
➢ **Grant of 7th CPC allowances**
   - Seventh CPC allowances were approved for employees of UT, including LTC, Children Education allowance, Hostel Subsidy etc.

➢ **Abolition of Toll Tax**
   - Toll Tax was abolished with effect from 1.1.2020 in line with concept of One Nation, One Market and maximum integration of J&K markets with rest of the country.

Above steps ensured smooth transition of J&K from State to Union Territory.
2. Ensuring Financial Discipline

➢ Transparent Tendering
  • e-Tendering was made mandatory and implemented throughout UT.
  • This was a path breaking step in context of J&K to bring transparency and has been welcomed by all the stakeholders.
  • The practice of undertaking works on nomination basis was stopped, a major step towards cleaning of system.
  • System of undertaken works departmentally without price discovery has been largely prevented.

➢ Accord of Administrative Approval (AAA)
  • Accord of Administrative Approval has made mandatory for any bill to be entertained by treasuries, bringing about a much needed reform for expenditure management and preventing open ended expenditure.
  • The culture of undertaking works without Administrative Approval has been replaced with greater accountability.

A need in hour reform. It brought the transparency in the system and eliminated the corruption. Moreover, a few directions like Contract Document for availability of funds need to be incorporated in the tender document. Besides fixing of rates for construction materials, some relaxations for small working contractors and other difficulties faced by contractors needs to be looked upon.

Joy Khokhar
General Secretary
Contractors Association
R&B Jammu
➢ Technical Sanction
  • Technical Sanction made compulsory to address undertaking of works without due diligence and technical scrutiny.

➢ Procurement Reforms
  • GEM: MoU signed/GEM has been made mandatory, GFR adopted, Adoption of DoE Guidelines relating to procurement of Goods and Services
  • Finance Department conducted 3 days workshop – handholding on GFR e-Procurement and Gem Portal

Handholding on GFR e-Procurement and Gem
3.1 Achievement under GST in the Financial Year 2019-20

- The Financial year 2019-20 came up with the challenge to meet the revenue targets. 8.87% growth was achieved while the national (domestic) GST growth has stood at 7.82%.
- For the period between April to July, 2019 GST revenue collections in the UT of J&K was growing at a rate of 26%(cash plus credit). Post August, 5th, 2019 the dynamics of economy in J&K and the tax collections got affected as a result of issues.
- August to November, 2019 the growth in GST collections showed downward trend and the cumulative growth dropped to 3% percent only.
- To overcome the connectivity issues, a massive exercise of establishing facilities centres all across the Union Territory was undertaken.
- Facilitation Centres were established at Divisional and district offices to provide assistance to dealers for filing of pending returns.
- This landmark decision revitalized the tax collections in the Union Territory of J&K and accordingly SGST cash collections for the month of December, 2019 showed a growth of 40% over the corresponding period of last month.
- The total SGST collections i.e cash plus credit showed 64% growth over the corresponding period.
- These facilitation centers helped in clearing backlog of approximately three lac returns (July to December, 2019). Despite all odds the GST collection in UT of J&K continued to grow at 13% ending February, 2020.
- However, in the month of March a major setback to the GST growth has occurred due to emergence of COVID 19 pandemic which badly affected the businesses in J&K.
- The return filing date for the month of February 2020 was relaxed in light of the COVID 19 pandemic, which directly affected the revenue collections in the month of March.
- Overall, J&K has shown a growth of 8.87 percent (rupees 4760 crores in the FY 2019-20, against rupees 4363 crore in the FY 2018-19) despite all the odds affecting business transactions, while the average national (domestic) GST growth has stood at 7.82 percent in the FY 2019-20.
- MST: Overall growth of 3.5% was achieved in collection of MST by end of March.
- Stamp duty collections: Against overall stamp duty collection of Rs 118.52 crore in 18-19; the collections was Rs.225.19 crores in 19-20 upto December end. For the full year, Growth of over 53% was achieved.
The data shows that J&K economy continued to grow in 2019-2020.
<table>
<thead>
<tr>
<th>S. No.</th>
<th>Head of Account</th>
<th>Revenue Realization ending 02/20</th>
<th>Revenue Realization during 03/20</th>
<th>Revenue Realization ending 03/20</th>
<th>Revenue Realization ending 03/19</th>
<th>Increase (+)</th>
<th>Decrease (-)</th>
<th>%age</th>
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<tbody>
<tr>
<td>1</td>
<td>Major Head 0006-SGST</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a)</td>
<td>00-101-SGST</td>
<td>1677.83</td>
<td>126.78</td>
<td>1804.61</td>
<td>1686.23</td>
<td>118.38</td>
<td>7.02</td>
<td></td>
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<tr>
<td>b)</td>
<td>00-105-01-Provisional settlement of IGST</td>
<td>2734.21</td>
<td>211.78</td>
<td>2945.99</td>
<td>2677.13</td>
<td>268.86</td>
<td>10.04</td>
<td></td>
</tr>
<tr>
<td>c)</td>
<td>Total SGST</td>
<td>4412.04</td>
<td>338.56</td>
<td>4750.60</td>
<td>4363.36</td>
<td>387.24</td>
<td>8.87</td>
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<tr>
<td>d)</td>
<td>296-00-100-Adhoc/Advance Settlement from IGST</td>
<td>-24.57</td>
<td>0.00</td>
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<td>-799.85</td>
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<td>Total 1(a+b+c+d)</td>
<td>6666.74</td>
<td>653.28</td>
<td>7320.02</td>
<td>6600.64</td>
<td>719.38</td>
<td>10.90</td>
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<td>2</td>
<td>0040-Sales Tax/VAT</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a)</td>
<td>Sales Tax/VAT</td>
<td>183.92</td>
<td>0.37</td>
<td>184.29</td>
<td>336.11</td>
<td>-151.82</td>
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<td></td>
</tr>
<tr>
<td>b)</td>
<td>Motor Spirit Tax</td>
<td>1351.85</td>
<td>119.84</td>
<td>1471.69</td>
<td>1421.77</td>
<td>49.92</td>
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</tr>
<tr>
<td></td>
<td>Total 2(a+b)</td>
<td>1535.77</td>
<td>120.21</td>
<td>1655.98</td>
<td>1757.88</td>
<td>-101.90</td>
<td>-5.80</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>0030-Stamps &amp; Registration</td>
<td>271.87</td>
<td>18.47</td>
<td>290.34</td>
<td>190.69</td>
<td>99.65</td>
<td>52.26</td>
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<td>Grand Total (1+2+3)</td>
<td>8474.38</td>
<td>791.96</td>
<td>9266.34</td>
<td>8549.21</td>
<td>717.13</td>
<td>8.39</td>
<td></td>
</tr>
</tbody>
</table>

**Net Inc/Dec**

Overall Revenue collections for the year 2019-20
3.2 Excise

➢ Collection of Excise Duty: The overall excise duty collection in 19-20 registered a growth of nearly 7%

➢ Toll Tax: The toll tax was abolished with effect from 1.1.2020. However, the collection growth of 1.70% was registered upto December 2019.

➢ Social Responsibility Corpus Fund
  - Social Responsibility Corpus fund is being used for support of de-addiction centers, measures to reduce incidences of drunken driving, promoting road safety and other similar purposes.
  - Rs. 2.00 crore donated in favour of J&K Relief Fund to mitigate COVID-19 pandemic emergency our “Social Responsibility Corpus fund”.

Finance Department, Government of Jammu & Kashmir
Major cross border evasion stopped by checking illicit trade along Punjab Kathua border.

Stenous drive initiated to eradicate the illicit distillation of liquor and bootlegging in Jammu Division.

4950 raids, 2055 bottles of illicit liquor seized/ destroyed, 113513 kg of Lahan & about 15 Kanals of land under cultivation of Poppy destroyed.

Rs. 11.42 lacs fine has been collected by the Excise department in Jammu Division from the violators.

In Kashmir Valley 143 raids conducted and 780 Kanals of land under cultivation of Bhang and 3967 kanals of land under Poppy cultivation destroyed during the year 2019-20 upto March, 2020.
4. Improved Treasury Management

4.1 e-Kuber

- **Timely Payments in Treasuries**

This was one of the hallmarks of treasury management in 19-20. The unhealthy practice of clearing of contractor’s bills, GPF, Gratuity, etc after months were completely stopped and payments were made within a day invariably from July onwards, excepting very large bills of Power Sector.

**e-Kuber**

RBI is the banker to J&K Government. While overall accounts of the Government are maintained with RBI, the treasuries continue to transact with J&K Bank, an agency of RBI for the purpose. All preparations for shifting of all treasuries to RBI were completed for intended shift which shall help in real time reconciliation of accounts with RBI instead of a days delay, which creates possibility of error in assessment.

- A standardized e-payment system devised by Reserve Bank of India, which envisages straight-through processing of electronic payment of the State/UT Governments by establishing an interface with a unique internal system and ISO 20022 messaging standard for flow of information.
- A completely automated process flow in this model ensures end to end message processing and accounting and generation and dispatch of scroll seamlessly.
- The model ensures that all payments are processed efficiently and beneficiaries receive the payments with no delay.
- The detailed e-scroll (notification) with individual transaction wise status leads to a near zero reconciliation process. This model has the capacity to integrate payment system of Government with focus on security and integrity of messages.

**Salient Features**

- Can make any number of e-Payment files in a RBI working day
- RBI working hour 9AM-8PM
- Every e-Payment file may have upto 50,000 transactions
- RBI will process the file as per the scheduling done at the RBI end.
- Normally the NEFT payment scheduling is done after every 15 minutes
- Can check the status of the payment from TreasuryNet application
4.2 JKPaysys

A system was developed for online submission of bills to treasuries. Since the system uses databases, it performs a certain degree of check over bills submitted, besides better trail of bills submitted and transparency. The system was initially launched in select treasuries, which was followed by full scale implementation in all treasuries. Most importantly, it shall enable far greater accountability over time by allowing remote audit of bills.

Government orders online submission of bills in treasuries by DDOs, JKPaysys implemented in all treasuries

By: TP Iqbal  Date: 4/3/2023 4:08:59 PM

Jammu and Kashmir:

The Order of the Government reads:

Central Submission of Bills to Treasuries for processing by Drawing and Disbursing Officers through IT enabled "JKPaysys" application.

Government Order No: 1/16-F of 2020 Dated: 01-04-2020

Sanction is hereby accorded to the implementation of JKPaysys in all the Treasuries of Union Territory of J&K w.e.f 15-04-2020.

Salient Features of JKPaysys

- ‘JKPaysys’ is an online platform for database management of employee salary related information besides expenditure details maintained by all the Drawing and Disbursing Officers (DDOs).
- Through this online portal cash transactions and budget control is possible on real-time basis.
- The recent feature added to this software application is that works related bills can be submitted by the DDOs to Treasuries only when all the required documentation in conformity to the rules are in place and the application can be integrated further to fetch geo-tagged photographs depicting the real-time execution of the works in the Union Territory of J&K.

“Introduction of Works Bills shall be a landmark decision for ensuring financial discipline”
JKPaySys- an online Payment system of J&K Government
➢ ‘JKPaySys’ is a payment system developed for online submission of bills to treasuries.
➢ ‘JKPaySys’ is an endeavour to increase the certainty of operations and predictability
➢ With the introduction of ‘JKPaySys’, J&K Government has been able to avoid cash holdings and idle bank account balances
➢ Finance Department has given high priority on cash management reforms. With better cash management, Government can target a zero or close to zero float.
➢ Treasury automation shall lead to better control on cash balances and control over bank accounts.
➢ Cash and Treasury management shall have significant cost savings for the Government.

Integration with other applications
➢ The employee database is fetched to the ‘JKPaySys’ portal by integration of Centralized Personnel Information System (CPIS) web portal which contains all the information pertaining to around 5.00 lakh employees working in J&K Government.
➢ The budget provision for each employee and other overhead expenditures is fetched from the Budget Estimation Allocation Monitoring System (BEAMS) web portal of J&K Government.
➢ This is a complete integrated system through which payments are processed in electronic mode with appropriate budgetary control and accurate employee salary details after ensuring proper checks and balances in a most transparent and user friendly manner.

Training at District level to implement JK PaySys during Covid-19
We welcome the initiative and in fact it was our long pending demand. However, upon implementation we feared that salaries of lakhs of employees would be delayed or withheld as their required information is yet to be uploaded by concerned Drawing and Disbursing Officers (DDOs) in a prescribed form and the DDOs were unable to upload the data of employees falling within their domain due to low internet speed. However, these issues have been resolved.

Aijaz Khan
President CAPD Employees Association

A nice initiative taken up by the Finance department to ease the disbursement of salaries. A heavy burden on the DDO’s processing the salaries have been reduced, thus proved to be time efficient. Its user-friendly process and with the click of a button the salary of the employees is released.

Mohd Rafiq
President JAKFA
4.3 Mera Vetan

- Recently salary App fetching details from the ‘JKPaySys’ for the employees of Jammu and Kashmir was given a practical shape and Hon'ble Lieutenant Governor launched an App called as ‘MeraVetan’ (Version 1).
- This App is all about the information in respect of salary particulars and allied information – a salary tracker mobile App. This App was launched for the benefit of the employees of the Jammu and Kashmir Government.
- The employees posted at far flung areas and remote places are increasingly benefitted as they were finding it practically difficult to have the related information updated in respect of their salaries from the DDO’s.
- This initiative has been widely appreciated by all the employees across UT of JK.
- The scope of the App shall not be kept limited to employees only but extended to social welfare related measures, scholarships, etc so as to track details about social security pensions disbursement and scholarship payments related information which could be known just sitting at home.
- An employee can view details of salary which after every month shall be updated after payment from the treasury. Monthly salary slip could be easily and quickly got by an employee thus reducing, if not avoiding the load on the Drawing and Disbursing Office (DDO’s).
- Such changes for convenience and getting timely information through various Apps are going to be quite useful and heralding of a new convenient and fast changing dynamic environment for obtaining information on real-time basis.
Steps to use Mera Vetan App

Press Releases
Stakeholders Comments

Glad! The Finance Department of J&K is launching “Mera Vetan” Website. Holistically the launch of this app is a step forward towards realizing our renewed dream of “Digital J&K”. For us it is a moment of satisfaction that the app will provide a soft window for the employees to track their salaries and make transactions on the basis of updated accounts. This app has made the payment system transparent & effective which is praiseworthy.

Rouf Ahmad wani
President Non Gazetted Employees Union Secretariat

We are in support of reforms always. At the start due to slow internet connectivity and delay in payments of salaries we were asking for time to implement. These are the good initiatives we are with it always. The beneficiary-oriented schemes through IT system is also good, our motive is to stop leakages and benefits to reach general public.

Aijaz Khan
President CAPD Employees Association
Chairman Employees Joint Consultative Committee

“Mera Vetan” is an amazing app that has reduced the workload of DDO’s considerably and enabled the distant posted employees to access their salary, Pay Scale, GPF/NPS subscription, Allowances, Deductions, Income Tax/SLI statements. Hopefully in near future it will come up with the tools to find support for income tax calculations, Form 16 generation & solutions for beneficiary oriented schemes.

Mohammad Rafiq
President JAKFA

Mera Vetan app is a very useful app and brings transparency into payroll accounting system. Needs improvement like signout option, otp based login, automatic data synchronization, and app needs to be available through google play store.

Sanjeev Sharma,
Vice-President, JKCSNGE Union.

A nice initiative indeed. However, it needs some updation. It doesn’t allow to logout. The GPF details are available month-wise only and that too from the ongoing Financial Year only. The consolidated GPF amount as available in the account of a subscriber should also be reflected. Besides, it should allow print of details such as monthly salary.

Reyaz Ahmad Wani
Deputy Secretary, GAD

A good reform. It will lessen the burden on DDO’s for issuance of pay certificates, GPF and other details.

Zahoor Ahmad Wani
Director Finance, DMRRR
Over the years, large sums of Government funds were parked in various bank accounts of PSUs, Autonomous Bodies, with little accountability and financial discipline. To overcome this, an initiative was launched to channelize these resources back to UT Pool. Data was obtained of all bank accounts and funds available were scrutinized. Funds parked were identified and timelines were mandated for their remittance into consolidated fund. The initiative was highly successful, with remittance of nearly Rs 1000 crore parked with different bodies back into Consolidated Fund of J&K.

A total number of 2,147 bank accounts were identified, with significant deposits, out of which Rs.834 crore stand remitted ending March 31st, 2020.
### Housing & Urban Development Department

Huge amount of funds had remained unutilized for years together and were lying in various bank accounts. This unutilized money had to be shifted to govt exchequer rather than parked in banks. After minutely scrutinizing various accounts and figure, and despite many hiccups and resistance an amount of Rs.49.42 crores was transferred to govt receipt/deposits. Job was extremely herculean still with unavoidable surgical measures amount was brought within govt control, which was otherwise lying idle.

Shaheen Mohammad Ashraf  
Director finance HUDD

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### Public Works Department

- **Depositing of the funds lying with various J&K Bank accounts with Treasury.**

- It was observed by the Finance Department that funds were lying idle with various JK Bank Accounts. Accordingly an exercise was carried to identify such funds which are lying idle for quite some time in a coordinated way. Reconciliation with the Banks was also carried through Chief Accounts Officer/Accounts Officer of Chief Engineer PW(R&B) Jammu/Kashmir and Chief Engineer PMGSY Jammu/Kashmir. Every effort was made to get these funds deposited with the Government Treasury.

- Accordingly, funds to the tune of Rs.131.66 Crores which was lying idle with various Bank accounts received by the Department from various other departments/agencies and deposited the same with Government Treasury as under:

<table>
<thead>
<tr>
<th>S.No</th>
<th>Amount Remitted in Treasury (Rs. In Crores)</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>0059- Public Works</td>
</tr>
<tr>
<td></td>
<td>8443- Civil Deposit</td>
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<tr>
<td>1</td>
<td></td>
</tr>
<tr>
<td></td>
<td>13.53</td>
</tr>
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<td></td>
<td>118.13</td>
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<tr>
<td></td>
<td>131.66</td>
</tr>
</tbody>
</table>

- This would have not been possible without the support and constant monitoring by the Finance Department as well as the support of accounts personnel posted in various filed offices of the department. The exercise has not only brought the transparency in utilization of these funds in future but also to avoid any misuse of these funds and unnecessary of blockade of capital.

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Mazahir Hussain  
Director Finance PWD(R&B)
In a bid to have paperless budget, Government of Jammu and Kashmir has introduced Budget Estimation Allocation Monitoring System (BEAMS) with the objective of facilitating easy co-ordination among the Drawing and Disbursing Officer, Head of Departments, respective Departments, Finance Department and Union territory of Jammu and Kashmir Treasuries/PAO offices through Electronic Platform.

The beams is an online system that supports budgeting process more efficiently, improve cash flow management, promote real time reconciliation of accounts, and strengthening management information systems.

Management Information System (MIS) gives various reports on budget authorizations, cash flows, fund transfer transactions and authorization slips generation.

**Scope of BEAMS**

- BEAMS application has a wide scope in comparison to the manual budgeting process which lacks transparency and is construed with difficulties due to time delay in authorizations, ineffective monitoring and budget control mechanism.
- The flow of information is very reliable, accurate and fast enabling better monitoring, control and sustainable decision support system for better planning and expenditure audit.
- The new system offers greater flexibility of inputs and in return process for greater emphasis on outputs and performance.
- The BEAMS application enables to view budget allocation instantly without any time delay just at the click of the button.

**Objectives of BEAMS**

- To automate the workflow process.
- To enable exchange of Data between BEAMS and ‘JKPaySys’.
- To generate data for Budget Expenditure monitoring.
- To provide interface for exchange of information with AG/accounting authority.
- To keep the checks and balances on diversion / blockage of funds.
- To monitor the Centrally Sponsored Schemes (CSS) and other schemes funded through Finance organization.
➢ Interfacing System

The BEAMS application can be interfaced with other systems to take mutual benefits of each sub-system in the overall Integrated Financial Management System. The BEAMS application can be integrated with the Public Financial Management System (PFMS.) application to obtain information of each Centrally Sponsored Scheme and its corresponding Union territory of Jammu and Kashmir. Following are the three systems with which BEAMS integration is under progress:

a) Public Financial Management System (PFMS)
b) Treasury/PAO System
c) Pay-Sys/DDO Application

❖ Way forward-Greater transparency in Project Monitoring

➢ BEAMS integration with JKPaySys has transformed expenditure monitoring at all levels.
➢ With this integration geo-tagging shall be introduced and real-time photographs obtained depicting physical progress of the works.
➢ All the projects with a unique code have been linked with JKPaySys for enabling bills to be presented at treasuries against a particular work for which funds have been released through BEAMS.
➢ This will ensure that all the required documentation in conformity with the rules is being produced against the works at the Treasury for which Funds have been released by the Finance Department.
➢ The physical monitoring is also not so far now by integrating BEAMS, JKPaySys and JK PULSE portals. These technological interventions shall have enduring impact on holistic development across Jammu and Kashmir with budget focus on outcome and performance parameters.
Braving many challenges, the Finance Department, Govt. of Jammu & Kashmir in a bid to have paperless & efficient Budgeting introduced BEAMS, owing its origin to one of the core infrastructure components introduced by GOI under e-governance programme to offer flexibility of inputs & greater emphasis on outputs & performance besides ensuring external interface.

The flow of information is very reliable, accurate & fast enabling better monitoring, control & sustainable decision support system for better planning & expenditure audit to promote culture of accountability & transparency. Wish the Finance Department grand success in its future endeavors!

Mohammad Rafiq
President JAKFA

Launching of BEAMS application is one of the biggest initiatives taken by J&K Finance Department towards e-governance since 2017. Its working module has revolutionized the financial management system in J&K. The paperless budget estimation & allocation is not only time saving but has proved as a transparent mechanism in expenditure & cash management. The CSS & Capex budgeting has also been brought under it since 2019 which minimized the chance of mis/re appropriation of funds resulting in effective & target-oriented planning. More importantly BEAMS is working on coordination lines between DDO, Treasury Officers, HODs & Finance Department with proper check & balance system. There is a proper mechanism of security checks to avoid any mismanagement at each level, besides the govt. has been able to make the public delivery system effective through this module. In short I can say that BEAMS is a revolution brought in by the Finance Department to make the public delivery & Financial Management system more efficient in today’s e-governance concept.

G. N. Tantray
General Secretary, JKEA

By way of introducing this system in J&K in the year 2017, preparation of Budget at the gross root level (DDO/HOD level) and it’s monitoring at the Administrative level got easier and transparent. This system gives various reports on budget authorizations, cash flows, fund transfer transactions and authorization slips generated on real time basis. Every officer who has the access to this system can easily view the entire details with regard to Budget allocation, expenditure, surrender, withdrawal etc. Prior to this system, preparation of budget and its finalization was laborious job which has now become easier by implementation of BEAMS System. In the earlier system checking of variation in figures took days to rectify. Now there are zero chances of variations. In view of Covid-19 pandemic situation, funds have authorized in due course of time which was not possible in earlier system when the authorizations were made manually.

Sanjay Sadhu
Publicity Secretary, JKCSNGEU
6. Key Overarching Sectoral Reforms

➢ Constitution of District Planning Boards and abolition of District Development Boards as per 73rd Constitutional Amendment Act, paving the way for strengthening democratic decentralisation

➢ First budget for District Plan was approved by H’onble Lieutenant Governor after the implementation of constitutional reforms for the current Financial year 2020-21

➢ Unbundling of Power Sector was achieved on 31.10.2019 through innovative budgeting. This important decision of the Union Government was appropriately facilitated by the Finance Department

➢ Public Account of UT of J&K for CAMPA created on 29.11.2019 and over Rs 400 Crore received from Government of India.

➢ Merger of Finance and Planning to prevent duality of funding sources, which has resulted in much greater financial discipline, and greater control over expenditure.
7. Reforms & Improvements made in the functioning of the Bank

1st Meeting of J&K UTLBC

PRESIDED BY:
Shri B. V. R. Subrahmanya (IAS)
Chief Secretary, J&K Government

 Finch Department, Government of Jammu & Kashmir
Restructuring of J&K Bank

Structural Reforms and Improvements brought about in the functioning of J&K Bank:

Governance
- Transition of J&K Bank into a PSU completed
- Annual report submitted to Parliament for the first time
- RTI and CVC guidelines implemented in J&K Bank to install transparency and accountability in the day to day functioning of the Bank. Necessary Systems put in place for enterprise-wide rollout, educating & sensitizing operative levels, alignment of internal policies & procedures with these guidelines.
- Powers w.r.t. creation of posts in any cadre (including sub-staff) and recruitment thereof have been exclusively entrusted to the Board of Directors.
- Re-defined the business strategy of the Bank with thrust on retail and de-prioritizing corporate lending which has been the main reason for huge NPA levels. Due attention is also being paid to Corporates as well.
- Professional BoD has been constituted for improving governance and ensuring compliance with regulations. The BoD comprises of 10 eminent members from various industries/professions.
- Thrust on reinforcing compliance culture in the Bank and clear instructions in this regard to all for ensuring that no instance of non-compliance of regulatory and internal control guidelines is observed

Improved Regulatory Compliance: All existing policies have been reviewed and certain new policies have also been introduced to ensure proper decisions making across all levels, in line with business goals of the Bank and while ensuring regulatory compliances.

Credit discipline is being ensured in letter and spirit with zero tolerance for ever-greening of loan accounts / window dressing.

Bank has recently appointed an Internal Ombudsman to oversee that the process of grievance redressal is handled in the most professional and time bound manner

Business continuity post 5th August 2019, & Covid-19
- The Bank managed to restore and maintain business operations even in the most disturbed areas during restrictions post August 5, 2019. Average daily cash dispensation of Rs. 81.12 crore was made through the ATMs of the Bank in J&K UT from 05 August to 10 November, 2019 against an average of Rs. 86.19 crore in the corresponding period of the previous year. Cash dispensed by the ATMs of the Bank on a single day during the peak of disturbances in J&K even went up to Rs. 164.20 crore (on 10.08.2019 i.e. Eid eve).
- The Bank has maintained uninterrupted services during current restrictions due to COVID 19.
Business Growth

A. Deposits: UT of J&K contributes 87.2% of total Deposits of the Bank as on 31.03.2020. Deposit growth achieved in J&K UT on YoY basis is almost 12% with addition of almost Rs. 9,118 crore while overall deposits of the Bank have grown by 9% during this period.

Similarly, the CASA ratio improved by 296 bps YoY, i.e. to 53.66% as on 31.03.2020. CASA + Retail Term Deposits have increased by 179 bps on an year on year basis. The deposit portfolio of the Bank is now highly diversified and stable as top 50 depositors contribute less than 15% of the total deposits of the Bank.

B. Advances: Advances in J&K UT as on 31.03.2020 have also grown by over 13% on YoY basis with net accretion of almost Rs. 4905 crores.

C. Thrust on Financial Inclusion Drives: Bank has been on the forefront in implementation of various Financial Inclusion drives in the UT of J&K. Operative levels of the Bank, across the UT of J&K have been tasked to publicize/implement the ongoing drives in a mission mode and ensure maximum outreach under the programs. Special focus is being given to ensure 100% coverage of KCC facility to all PM Kisan beneficiaries and progress made under various FI schemes is being monitored on a daily basis at the Apex level of the Bank.

PROGRESS UNDER FINANCIAL INCLUSION / CREDIT SCHEMES 01.04.2019 TO 30.06.2020

➢ Opening of affordable “Zero Balance Accounts” : This is being done by opening PMJDY accounts for every adult without a bank account. During period 01.04.2019 to 30.06.2020; 2.75 lakh PMJDY accounts were opened in UT of J&K taking the total number of PMJDY accounts to 23.59 lakh as on 30.06.2020.

➢ Financial Literacy: As per the extant directives of RBI every district has at least one Financial Literacy Centre (FLCs) managed by respective Lead Bank. There are 31 FLCs in UT of J&K and each FLC is assigned a target to conduct at least 2 “Going Digital” and 5 “Target Group Specific” camps per month. In UT of J&K, against the specified target of 2604 camps for FY 2019-20, FLCs operating in J&K have in aggregate conducted 3423 Financial Literacy Camps comprising 1254 “Going Digital” and 2169 “Target Group Specific” camps.

➢ In order to provide easy and hassle free credit for promotion of micro and small enterprises in the country Pradhan Mantri MUDRA Yojana (PMMY) was launched in 2015.

➢ Against the annual disbursement target of Rs. 3175 crore for FY 2019-20, banks in UT of J&K have disbursed an amount of Rs. 3470 crore in favour of 1.55 lakh beneficiaries under PMMY.

➢ Cumulative disbursement under PMMY (MUDRA) since inception of scheme has increased from Rs. 8,417.13 in favour of 3.75 lakh beneficiaries as on 31.03.2019 to Rs. 12,794.10 crore in favour of 5.78 lakh beneficiaries as on 30.06.2020 indicating a growth of 52.00% and 54.13% in financial and physical terms respectively.

Easy Loans

KCC Loans

➢ Active beneficiaries under KCC Scheme have increased from 3.92 lakh as on 31.03.2019 to 7.46 lakh as on 30.06.2020 indicating a growth of 90.30% during the period.

Pradhan Mantri Mudra Yojana (PMMY)
In order to provide affordable Insurance and pension options for people working in unorganized sectors, GoI launched three schemes (1) Pradhan Mantri Suraksha Bima Yojana - PMSBY (Accidental Insurance) (2) Pradhan Mantri Jeevan Jyoti Bima Yojana – PMJJBY (Life Insurance) and (3) Atal Pension Yojana - APY. The progress under these schemes from 01.04.2019 to 30.06.2020 is given as.

1. **PMSBY** enrolments have grown from 7.10 lakh as on 31.03.2019 to 7.87 lakh as on 30.06.2020 indicating a growth of 10.85% during the period.

2. **PMJJBY** enrolments have grown from 3.11 lakh as on 31.03.2019 to 3.56 lakh as on 30.06.2020 indicating a growth of 14.47% during the period.

3. **APY** enrolments have grown from 0.55 lakh as on 31.03.2019 to 0.74 lakh as on 30.06.2020 indicating a growth of 34.54% during the period.

### PROGRESS UNDER CREDIT FLOW TO PRIORITY SECTOR DURING FY 2019-20:

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Sector</th>
<th>Credit outstanding upto 31-03-2019 (in Cr.)</th>
<th>No of Beneficiaries (in Lac)</th>
<th>Credit outstanding upto 31-03-2020 (in cr.)</th>
<th>No of Beneficiaries (in lac)</th>
<th>Financial Growth</th>
<th>Physical Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Priority Sector</td>
<td>27,806</td>
<td>10.08</td>
<td>30,074</td>
<td>13.42</td>
<td>8.16%</td>
<td>33.13%</td>
</tr>
<tr>
<td>2</td>
<td>MSME sector</td>
<td>15,705</td>
<td>3.7</td>
<td>15,978</td>
<td>3.75</td>
<td>1.74%</td>
<td>1.35</td>
</tr>
<tr>
<td>3</td>
<td>Agriculture Sector</td>
<td>7,737</td>
<td>5.02</td>
<td>8590</td>
<td>8.1</td>
<td>11.02</td>
<td>61.35</td>
</tr>
</tbody>
</table>

**Financial Inclusion Awareness**

Finance Department, Government of Jammu & Kashmir
### Financial Assistance/Relief measures during Covid-19 pandemic

Table showing the details of funds disbursed during Covid-19

<table>
<thead>
<tr>
<th>S. No</th>
<th>Scheme/ category</th>
<th>Total no of beneficiaries</th>
<th>Amount disbursed (in crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Integrated Social Security Scheme (ISSS)</td>
<td>734798</td>
<td>204.7678</td>
</tr>
<tr>
<td>2</td>
<td>Dietary items for inmates of residential homes run by Govt/ NGOs</td>
<td>1143</td>
<td>0.32</td>
</tr>
<tr>
<td>3</td>
<td>Shikarawala/ House Boats</td>
<td>5880</td>
<td>1.764</td>
</tr>
<tr>
<td>4</td>
<td>Tourist guide/ Pithuwala</td>
<td>1313</td>
<td>0.3939</td>
</tr>
<tr>
<td>5</td>
<td>Ponywalas</td>
<td>10500</td>
<td>3.15</td>
</tr>
<tr>
<td>6</td>
<td>Dandiwalas/ Sledge Walas</td>
<td>2150</td>
<td>0.645</td>
</tr>
<tr>
<td>7</td>
<td>Ponywala/ Camel Riders (Jammu)</td>
<td>71</td>
<td>0.0213</td>
</tr>
<tr>
<td>8</td>
<td>Women – PMJDY</td>
<td>1050000</td>
<td>157.5</td>
</tr>
<tr>
<td>9</td>
<td>IGNOPS (NSAP)</td>
<td>127000</td>
<td>31.77</td>
</tr>
<tr>
<td>10</td>
<td>Building &amp; Other Construction workers</td>
<td>176515</td>
<td>61.80</td>
</tr>
<tr>
<td>11</td>
<td>Flower Growers</td>
<td>799</td>
<td>0.0799</td>
</tr>
<tr>
<td>12</td>
<td>Street Vendors</td>
<td>1000</td>
<td>0.10</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>21,11,169</strong></td>
<td><strong>462.312</strong></td>
</tr>
</tbody>
</table>

- Rs 462.31 crore were disbursed to 21,11,169 beneficiaries under different social security schemes and to other downtrodden sections of the society like shikarawalla/ponny wallas/tourist guides/Dandiwallas/building and other construction workers/ Flower Growers/Street Vendors etc.

- Under Atma Nirbhar Bharat Abhiyan (ANBN) free rice and pulses have been provided to priority households/AAY beneficiaries and migrant families (non-ration card holders. Under ANBN free rice was provided to 98566 individual beneficiaries and pulses to 31069 families.

- Under Pradhan Mantri Kissan Yojna (PMKY) an amount of Rs 153 crore credited to 10.02 lakh women beneficiaries

- 49537 beneficiaries covered under guaranteed emergency credit line as on 31-july 2020 for an amount of 1411.16 crore

- 138 crore disbursed under Disaster Relief Fund for mitigation of covid-19 to cover cost of quarantine, cluster containment operation, food, lodging etc.

- Under Covid-19 Regulatory Package, Term Loans & working capital disbursed to 361 borrowers amounting to Rs. 39.17 crore
Enabling self-attestation of claimants:
➢ Because of the COVID pandemic, the Industrial Units are facing difficulties in obtaining necessary documents from the consignees. In order to provide relief to the units claiming GST reimbursement under SRO 431, scanned copies of duly stamped and verified e-way bills by the consignee and attested by the claimant with a post-dated cheque has been accepted as an appropriate document for reimbursement for the period of 6 months on the condition that dealers indulging in mis-statement/ wrong declaration/falsification shall be liable to loss of incentives for the entire financial year. This measure will help expedite the processing of the claims of the industrial units and infuse liquidity.

Extension of date of Amnesty Scheme:
➢ Due to Lockdown several eligible persons failed to avail benefit of amnesty to clear the backlog of Sales Tax/VAT arrears. Therefore the scheme has been further extended by 4 months up to 31st October, 2020.

Extension of date of filing of GST Returns/Claims:
➢ The last date for filing of reimbursement claims for the quarter ending 31st March, 2020 was 15th of May, 2020. However, most of the SSI units did not file the returns for this period on due dates and, accordingly, could not file claims for reimbursement of GST within the prescribed timeline. The date for the filing of returns for the months of February, March and April, 2020 has been relaxed up to September, 2020. As an enabling measure, the date of filing reimbursement claims for the period 1st January to 31st March, 2020 has been extended to 15th Oct, 2020 and for the period April to June 2020 to 15th Nov, 2020.

Surcharge waiver on delayed payment of fixed charges:
➢ Due to Covid-19 pandemic the payment for fixed charge by all the commercial establishments was deferred till 30.06.2020 which has been now further extended till 31-10 2020. The surcharge leviable on the fixed charges of all the industrial/ commercial establishments in J&K w.e.f 31.03.2020 till 31.10.2020 has been borne by the Government to facilitate the businesses.

Stamp Duty Waiver on fresh lending:
➢ The stamp duty on fresh loans has been waived off till 31-03-2021 as part of measure to facilitate Borrowing.
JKIDFC at a glance...

➢ In 2018, the Government of J&K came up with a creative idea of establishing a company named Jammu & Kashmir Infrastructure Development Finance Corporation (JKIDFC) Limited to fund long pending projects.

➢ JKIDFC was incorporated on 25th September, 2018 and is tasked to raise resources for completion of identified projects which are of high importance for public.

➢ Various sources of revenue streams have been identified for meeting debt obligation including enhancement of electricity duty, revision of taxes on diesel/motor spirit, increase in road taxes, improving collection of water connection charges and improved revenues from extraction of fallen trees within the prescribed limits.

➢ The Company has been able to service its debt obligation out of revenue accrued during 2019-20. The overall revenue collection by way of above resource mobilisation during the year has been around Rs 250 crore.

➢ The initiative of setting up JKIDFC has been earmarked as the best practice by NITI Aayog.

➢ The System enables Real time Monitoring. Features like Geo-tagging, project completion certificate, image uploading facility of finished projects, dashboard for monitoring of progress by Lieutenant Governor, Chief Secretary, Administrative Secretaries and Deputy Commissioners.
Some Projects under implementation pending for last 15–20 years

- Const. of Lakhari to Kunoo Road (Kathua)
- Imp. Upgradation of Tikri Chanas Road (Udhampur)
- Const of road from Dera Baba to Bamyal bia Kanji (Reasi)
- Const of Road from Karwa to Kotli Road L=5 km (Reasi)
- Banihal Lamber Road (Ramban)
- Imp./Upgradation of Parnalla Seri Mooni Plail Banhore road (kathua)
- Const. of Circular road at village Abtal (Samba)
- Impvtt./Upgd of road from Bhagtha to Manoon (Reasi)
- Const of Road from Chountra Mata to Dheeran (Udhampur)
- Const of 40 mtr span steel foot bridge over Junnie Nallah Moori (Reasi)
➢ A dash Board has been created on the portal for public use. The status of project implementation in each District by all the Departments can access by any individual. This is first time in J&K that open access has been provided to the public to extract status of projects completed in their own localities. This feature has been added to encourage community participation for strengthening grass root democracy and encourage social audit of the project/schemes by the beneficiaries.

➢ J&KIDFC has been transforming systems and promoting unprecedented levels of Transparency. J&K Infrastructure Monitoring System (JKIMS), an online project management, monitoring, information and payment system of all Infrastructure Projects being funded through the Jammu Kashmir Infrastructure Development Finance Corporation (JKIDFC) has been created. This is the first of its kind where financial progress in relation to physical outcomes of all the projects is monitored on real-time basis online through a portal namely J&K Infrastructure Monitoring System (JKIMS).

➢ To further inculcate transparency, first coffee table book has been published by the JKIDFC in the month of February to showcase 200 completed projects which have been dedicated to the general public in the year 2019-20 and Second coffee table book was published in June 2020 showcasing 500 completed projects.
9. Completion of Annual Accounts and Statutory Audit by the PSUs

- The finance department took initiative for getting pending Annual Accounts prepared for PSUs in a mission mode.
- Significant progress was made in completion of Accounts of PSUs and their submission to AG.
- Corporations like J&K SC/ST/OBC Development Corporation which had accounts pending for 17 years completed all their accounts and also completed statutory audit of 16 out of 17 years accounts.
- Similarly, completion of Annual accounts for Autonomous Bodies and Universities were also ensured.

### Status of finalization of Accounts by the PSUs

<table>
<thead>
<tr>
<th>S.No</th>
<th>Name of the Public Sector Undertakings (PSU)</th>
<th>Last audited (AG’s Report)</th>
<th>No of pending Accounts as on 1-4-2019</th>
<th>No. of Statutory accounts completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>J&amp;K Industries</td>
<td>2010-11</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>2</td>
<td>J&amp;K Handloom Dev. Corp.</td>
<td>2010-11</td>
<td>8</td>
<td>3</td>
</tr>
<tr>
<td>3</td>
<td>State Industrial Dev. Corp. (SIDCO)</td>
<td>2013-14</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>4</td>
<td>Small Scale Industries Dev. Corp. (SICOP)</td>
<td>2009-10</td>
<td>9</td>
<td>7</td>
</tr>
<tr>
<td>5</td>
<td>J&amp;K Handicraft (S&amp;E) Corp.</td>
<td>2000-01</td>
<td>18</td>
<td>14</td>
</tr>
<tr>
<td>7</td>
<td>J&amp;K Power Dev. Corp.</td>
<td>2013-14</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>8</td>
<td>J&amp;K Tourism Dev. Corp.</td>
<td>2012-13</td>
<td>6</td>
<td>3</td>
</tr>
<tr>
<td>9</td>
<td>J&amp;K Cable Car Corp.</td>
<td>2010-11</td>
<td>8</td>
<td>2</td>
</tr>
<tr>
<td>10</td>
<td>J&amp;K Projects Const. Corp.</td>
<td>2013-14</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>11</td>
<td>J&amp;K Cements</td>
<td>2011-12</td>
<td>7</td>
<td>2</td>
</tr>
<tr>
<td>12</td>
<td>J&amp;K Agro Industries</td>
<td>2009-10</td>
<td>9</td>
<td>5</td>
</tr>
<tr>
<td>13</td>
<td>J&amp;K HP &amp; MC Ltd.</td>
<td>2004-05</td>
<td>14</td>
<td>5</td>
</tr>
<tr>
<td>14</td>
<td>J&amp;K Police Housing Corp.</td>
<td>2009-10</td>
<td>9</td>
<td>5</td>
</tr>
<tr>
<td>15</td>
<td>J&amp;K Women’s Dev. Corp.</td>
<td>2017-18</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>16</td>
<td>J&amp;K State Road Transport Corp</td>
<td>2013-14</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>17</td>
<td>J&amp;K State Financial Corp.</td>
<td>2017-1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>18</td>
<td>J&amp;K State Forest Corp</td>
<td>2013-14</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>19</td>
<td>J&amp;K SC/ST/OBC Development Corporation</td>
<td>2001-02</td>
<td>17</td>
<td>17</td>
</tr>
</tbody>
</table>

- As a result of various initiatives taken up by the Finance Department remarkable progress has been achieved by all the PSUs in preparation of the Annual Financial Statements an getting them audited.
10. **Completion of Projects**

Far greater number of projects were completed in 19-20, despite significant challenges during transition as brought out below.

<table>
<thead>
<tr>
<th>Name of Sector</th>
<th>2018-19</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>UT Sector</td>
<td>6829</td>
<td>6972</td>
</tr>
<tr>
<td>District Sector</td>
<td>1277</td>
<td>1165</td>
</tr>
<tr>
<td>Back to Village</td>
<td>0</td>
<td>1930</td>
</tr>
<tr>
<td>Languishing projects under J&amp;K IDFC</td>
<td>0</td>
<td>506</td>
</tr>
<tr>
<td>Total</td>
<td>8106</td>
<td>10573</td>
</tr>
</tbody>
</table>

This has been possible as a result of reforms such as mandatory AAA. With respect to MGNREGA, 1,17,401 works were completed during 19-20 as compared to 56693 in 18-19.
11. Appendix

In order to bring transparency in public expenditure Finance Department has issued following directives.

- **Contingency Fund** created for the Union Territory of the the Jammu and Kashmir vide SRO-08 dated 11th Nov, 2019

- **Consolidated fund** of U.T of J&K was created vide G.O No.424-F of 2019 dated 04-09-2019

- **Public accounts** of U.T of J&K created vide G.O No.424-Fof 2019 dated 04-09-2019


  To enhance financial discipline in the Union Territory of Jammu & Kashmir, it has been made mandatory to receive all bids through e-procurement portal in respect of all procurements.


  With aim to improve transparency in the decision public procurements and reducing the scope of subjectivity, to bring greater transparency and predictability in government procedures and help in improving the ease of doing business with the government. Departments were directed to adhere to the instructions/guidelines of, Manual for Procurement of Goods 2017, Manual for Procurement of Works 2019, and Manual for Procurement of Consultancy and other Services in conformity with the General Financial Rules 2017.
- All Government departments, Autonomous Bodies and Corporations have been directed to immediately register with GeM for procurement vide circular No. A/21(03)-927 dated 17.09.2019.

All Government departments, Autonomous Bodies and Corporations have been directed to register with GeM for procurement as it is mandatory for Government departments to purchase common use Goods & services available on GeM so as to increase footprint on GeM for procurement in efficient and transparent manner.

- All Government Organisations have been directed to take necessary steps for on boarding vendors/service providers on GeM portal.

- Delegation of Financial Powers issued vide SO 15

Financial powers to accord Administrative Approval, Technical sanctions and Sanction of contracts, were delegated to the Administrative Departments, Major Heads of Departments, Class-I Officers (Other Officers) and Class-II Officers

- Procurement through Government e-Marketplace (GeM)

Instructions were issued while purchasing Goods & Services through GeM: The procuring authorities will certify the reasonability of the rates, reasonability of rates shall be ascertained by using the Business Analytics (BA) tools available on GeM including the last purchase price on GeM, Departments own last purchase price, market price etc.

In order to ensure that the rates are competitive and reasonable, the Departments are advised to use option of bidding, reverse auction provided on the GeM.

- Adherence to rules by the Executing Agencies while according Administrative Approval.

In terms of Rule 136(1) of General Financial Rules, 2017, no work shall be commenced and liability incurred in connection with it until administrative approval is obtained from appropriate authority in each case. The powers to accord administrative approval have been delegated vide S.o 15 of 2020 dated 09.01.2020. The following
aspects shall be taken into consideration while according the Administrative approval:
- Work to be initiated is necessary. Necessary funds are available in the Budget
estimate. Un-necessary items of expenditure in the proposal shall be avoided. Per-unit
cost of construction is calculated taking into account rates adopted for similar earlier
works as well as normative cost of construction. Maintenance and upkeep of the project
is factored in the proposal. Technical sanction is duly accorded. Expected date of
commencement and completion of works are clearly mentioned. Subsequent changes
in scope of work are strictly avoided. Comprehensive proposal is considered for
approval instead of a part, so that intended outcome is fully achieved on completion of
activities proposal

- **Performance Security in terms of Rule 171 of General Financial Rules (GFR), 2017-**
  Guidelines issued by the Ministry of Finance, Government of India as relief measure
  in view of Covid 19 pandemic, were extended to the Union Territory of Jammu and
  Kashmir also...

Restrictions have been placed on the movement of goods, services and
manpower on account of the lockdown situation prevailing in the country in terms of
guidelines issued by Ministry of Home Affairs (MHA) in terms of the Disaster
Management Act 2005 (D.M. Act 2005) and executive orders of the respective States
and U.T. Governments. Under such situations the payment cycle too has got disrupted
due to the restrictive measures, on account of which some contractors, who have
otherwise fulfilled their contractual obligations, are facing liquidity problems impacting
their future performance. In some cases, it may not have been possible for a
contractor/supplier to fulfill all his contractual obligations in terms of the contract.
Public interest lies in quick resumption of economic activity. Therefore, in the following
circumstances:

a) where an application is made by a contractor who is not in default of any contractual
obligations; or
b) where FMC is invoked by a contractor and the requirements of FMC are fulfilled, the
contractee (Government Department/Agency) may return the value of performance
security to the contractor/supplier as is proportional to the supplies made/contract
work completed to the total contract value.

- **Amendment in Rule 161(IV) of General Financial Rules (GFRs) - Global Tender
Enquiry** were also extended to Union Territory of Jammu and Kashmir, wherein it was
specified that no Global Tender crore shall be invited for tenders upto Rs. 200 crore.
After the reorganization of J&K State, the following public friendly initiative were taken by the Government of Jammu & Kashmir. Finance Department granted following 7th Pay commission benefits in favour of employees of J&K.

- **Children Education Allowance (CEA) and Hostel Subsidy to the Employees of Union Territory of J&K vide Government Order No. 473-F of 2019 dated 28.11.2019.**
  
  Children Education Allowance and Hostel subsidy was in favour of employees for the two children at par with Central Government employees at the rate of RS. 2250/- per month and Rs. 6750/- per month respectively. Reimbursement of Children education allowance for Divyang children shall be at double rate the normal rates i.e. Rs. 4500/- per month.

- **Special Allowance for Child Care for Women with disabilities vide Government Order No. 474-F of 2019 dated 28.11.2019.**
  
  Special Allowance for Child Care for Women with disabilities Rs. 3000/- per month is payable to female employees from the time of Child’s birth till the child is 2 years old. It is payable for a maximum of 2 eldest surviving children subject to issuance of disability certificate by Medical Board constituted by the Government.

- **Incentives for acquiring fresh higher qualification vide Government Order No. 475-F of 2019 dated 28.11.2019.**
  
  Incentives for acquiring fresh higher qualification by the employee are admissible at different rates varying from Rs 10,000/- to Rs 30,000/- subject to various conditions.

- **Transport Allowance to the employees of Union Territory of J&K vide Government Order No. 472-F of 2019 dated 28.11.2019.**
  
  The benefit of Transport Allowance is admissible to the of Union Territory of Jammu & Kashmir at different rates based on pay drawn in the pay level and their place of posting.

- **Leave Travel concession (LTC) in favour of employees of Union Territory of J&K vide S.O. No. 22 dated 03.12.2019.**
The Jammu & Kashmir Civil Services (Leave Travel concession) Rules, 2019 were issued in favour of employees for availing Home town LTC for travel between headquarters and his hometown once in a block of 2 years and Anywhere LTC for travel between headquarter to any place in India once in a block of 4 years, both commencing from 2020.

In addition to above following initiatives were also taken by the Government of Jammu and Kashmir.

- **Enhancement of Ration Money Allowance, Honorarium to SPOs, Hardship Allowance & Uniform Allowance to the Police personnel of J&K Police.**
- **Enhancements of move TA from Rs 15000 to Rs 25000/employees/move vide Government order No. 446-F of 2019 dated 17.10.2019.**
Batch Processing Type

- RBI provide two modes to process the e-Payment file. The Finance Department has adopted Full Mode for keeping accuracy in the maintenance of Treasury Accounts.
  - Full Verification of the transactions will be done before making the payments. File will be processed only if all the transactions in the file are valid.

File Status
- ACCP -- Accepted Technical Validation
- PART -- Partially Accepted
- RJCT -- Rejected

Life cycle of a Transaction

- 3 Stages of a transaction once the file is released by Treasury System.
  - First stage
    - The transaction needs to be successfully Acknowledged by e-Kuber wherein the status for the End-To-End Id should be “ACCP” with Group status as either ACCP.
  - Second Stage
    - Transactions status successfully received in the Debit Notification.
  - Third Stage
    - Whether the transaction is part of the Return Notification. If yes, the status of the transaction needs to be updated as RETURNED and the users should be able to account for/reinitiate as per the provisions in Govt. System. After a transaction (End-To-End Id) is returned, there can’t be any further update. (Not applicable in Our case)
Internal Monitoring and Budget control tools

Following are the functions within the application which augment internal control mechanism

- Budget Estimation
- Budget Allocation
- Withdrawals and Re-allocation
- Excess/Surrender
- Re-appropriations
- Budget Control Register
- Monitoring of the CSS and other resources
- Budget Release order, Discussion Sheets

External Interface Support System

BEAMS enable following external interface mechanisms

- Integration with ‘JKPaySys’
- Interface between functional DDO and Payment system
- Reporting and expenditure reconciliation system with Accounting authority

Optional tools available

Process Flow of BEAMS
During the financial year 2019-20, after the passing of Jammu and Kashmir Reorganization Act, 2019 and the bifurcation of the State of Jammu and Kashmir into the Union Territory of J&K and the Union Territory of Ladakh, the Bureau of Public Enterprise convened a series of meetings under the chairmanship of Financial Commissioner (Chairman, Bureau of Public Enterprises), Finance Department, with the PSU’s of the Union Territory and their affiliated Administrative Departments to monitor the preparation of all the due/pending statements of accounts and completion of audit before 31st October, 2019 so that from 1st November, 2019 when the State would cross-over to the status of Union Territory, it would start with a clean state and there would be no pending unaudited and finalized accounts. The BPE issues guidelines to PSU’s from time to time for taking appropriate corrective measures and bringing about improvement in system, procedure, technology, management practices accounting, quality control and in various other areas of enterprise management.

➢ It was noticed during the financial year 2019-20 that most of the Corporations, had not made any effort to complete and finalize their annual accounts/ financial statements since many financial years despite having full-fledged accounting divisions in the Corporations.
➢ As such, the Bureau of Public Enterprises impressed upon the Corporations to complete the arrears of annual accounts/balance sheets before 31st, October, 2019.
➢ For this, it was suggested by BPE that the PSU’s take up the annual accounts/financial statements of multiple (three) financial years in every single BOD meeting and hire/engage the professionals like Chartered Accountants and Company Secretaries from market for expediting the compilation and completing of annual accounts.
➢ It was observed by the Bureau of Public Enterprises that most of the PSU’s had not held the Secretaries from market for expediting the compilation and completing of annual accounts.
➢ It was observed by the Bureau of Public Enterprises that most of the PSU’s had not held the BOD’s even once during the past financial years despite the fact that it is a basic statutory obligation of every PSU registered under Companies Act 2013 to hold at least 4 BOD’s in every financial year.
➢ The worst performers were the JKCCC AND JKIT which had not held any BOD meeting since last three financial years. Therefore, to bridge the gap, the PSUs were instructed to arrange BOD meetings consecutively for clearing of all the accounting backlogs.

➢ It was also observed that the PSUs had also failed to hold Annual General Meetings (AGMs) on regular basis. The PSUs were instructed to hold necessary AGMs immediately after the completion of BOD meetings.

➢ As per the law, the statutory auditors of the PSU’s are to be appointed by the PSU’s on the recommendations of the CAG. However, a very liberal stance has been adopted for appointing the statutory auditors.

➢ The Bureau of Public Enterprises co-ordinates the working of the various PSU’s and endeavours that the BPE makes a constant effort to help identify areas where linkages and avenues for co-ordinated effort in the fields of purchases marketing, financing, etc. could be established between various State Enterprises.

➢ The Bureau of Public Enterprises also arranges for common facilities and services such as training of personnel, undertaking of employees housing scheme, computer facilities and the like. It serves as a clearing house for the collection and dissemination of information for all State Public Sector Undertaking.

➢ The Government of J&K releases financial assistance to the ailing and loss incurring PSU’s to help revive them. During the financial year 2019-20 a financial assistance of more than Rs. 100 crore was provided to the PSU’s by the Government of J&K.

➢ The PSU’s provide employment to numerous employees and perform certain crucial economic roles. The timely and much-needed financial assistance helped the PSU’s to survive during phases of serious financial crunch.

➢ However, the increasing dependence of the PSU’s on the exchequer even for routine functioning cannot be entertained eternally. The Bureau of Public Enterprise has time and again directed the PSU’s to introduce policy decisions for financial discipline and creating better synergy between them.

Board Meeting of JK Financial Corporation to approve loans worth 23 crore.
Photos of Budget Preparation for submission to Parliament.
Introduction of JKPaySys & BEAMS is the truth of a modest sort & also sincerity. Introduction of JKPaySys has proved positive for stakeholders. It has not only resulted in hassle free payments from treasuries but also has put an end to frequent complaints regarding delays. This is really a welcome step taken by the Finance Department. All the details regarding GPF, SLI, income tax, pay details etc are far away from one click & thus undoubtedly conferred untold benefits. The employees/public feel part of something big & improved their relationship in the workplace. It merits a mention here that JKPaySys communicates with the public & employees openly & honestly. JKPaySys breeds legitimacy as it is the right to information & definitely working to ensure public trust & managing the mistrust. The BEAMS Improved accuracy and timelines in preparation of accounts, bring transparency and efficiency in public delivery systems and for better financial management along with improved quality of governance in the State.

(Mohammad Hussain Khan)
AAO Estates Department

Adoption of IT application such as BEAMS, SIMS, PAYSYS etc have brought in a lot of transparency, accountability and standardization of the working procedures. It has eased the business procedures and processes. It has reduced the unnecessary paperwork and time lapses. By a click of the button payments hundreds of km away are made from paying offices of the government without any human interface. Delay in allocations releases and payments are reflected by the system and corrective actions taken. However, there is a lot of scope for improvement and upgradation of BEAMS application. Some good features of SIMS portal can be imported here for better results. Likewise some of the features of PFMS. The most important thing that is the every time requirement of top management is MIS for all its users.

Imtiyaz Ahmad Wani
Director Finance Agriculture Department

The introduction of Online BEAMS and Paysys applications by finance department is undoubtedly a huge step towards better financial administration as it has wider scope of transparency, accountability, efficiency with minimal chances of errors at any point. It is a big achievement of the J&K UT government to successfully implement it inspite of number of challenges.

Kajol Jasrotia
Financial Advisor DRDA
Jammu

This system provides the common and integrated platform for DDO’s to prepare all types of bills for booking of expenditure. It is also the Pay Bill Preparation System which meant for the Employees of the Government of Jammu & Kashmir. The Software not only provides the facilities for Pay bill Preparation but also Preparation of DA Arrear, Bonus, Arrears and Leave encashment. Moreover, it is linked with the BEAMS system and booking of expenditure over the authorization doesn’t arise. Implementation of this system brings more transparency and all types of payments get transferred to the individual accounts of the concerned at the very moment the bill is passed in the Treasury for payment.

Sanjay Sadhu
Publicity Secretary JKCSNGEU

JKPaySys is an essential component in the Integrated Financial Management System (IFMS) in J&K. It has been successfully integrated with BEAMS, CPIS & Treasury net, thereby revolutionizing the financial management in J&K, bringing transparency, accuracy, ease and saving time & helping to go paperless.

Dr Sajad Ahmed Wani
District Treasury Officer Anantnag

BEAMS helps in bringing better cash management, financial reporting and monitoring system. The mis-classification is eliminated with the system ensuring minimisation of human error. It is a step towards fiscal marksmanship. PaySys has brought a reformation in government delivery mechanism by re-engineering the existing process of payment for simpler and faster transactions and to ensure better interface with the beneficiaries, besides de-duplication of payments and reduction in incorrect classification of expenditure. An Electronic Payment Framework was a much awaited reformation.

Feroze Ahmad Mir KAS
District Treasury Officer Kulgam.