

# Electronic Payment System in Haryana

Two years back the treasuries were working on an archaic system which involved stamping 'Pay Order' on the bills presented at the treasury which was then returned to DDO to be presented at the bank for payment. This resulted in problems like wrong payments, unauthorized alterations in amount, loss of bills and vouchers in transit, delay in disbursements, delay at end of DDO in distribution of RTR/Drafts etc. This is now shifted to an entirely new concept i.e. Electronic Payment System (EPS), for passing of bills and disbursement of payments.



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**U**nder EPS system, payments of any kind are credited directly in bank accounts of payees, in any branch anywhere in country. With active participation of Director, Treasury and Accounts, and officials of State Bank of India, the software was developed as part of the already implemented Online Treasuries Information System (OTIS) with Treasury EPS system (TEPS) running in the banks. Awareness and training programmes for DDOs and officials of treasuries/sub-treasuries and banks was also organised. Successful pilot launch of system was done in Panchkula in September 2010 and then all other district treasuries in April 1, 2011.

## PROCESS DESCRIPTION:

- Each payee furnishes details like Name, PAN number, GPF/PRAN number and bank details like name of bank, branch name, IFSC code and account number. The details are entered in OTIS and after verification by DDO a Unique Code for Payee (UCP) is generated. Online facility for allotment of UCP has also now been made operational.
- DDO prepares the bill and submits to the Treasury along with the list of payees for payment. Token Clerk receives the bill and enters the details in the Token Entry Module of OTIS, generates a Token Number and issues a token receipt.
- Bill Passing Clerk checks the bill details, verifies Photo and Signatures of the DDO displayed on the screen with those on the bill

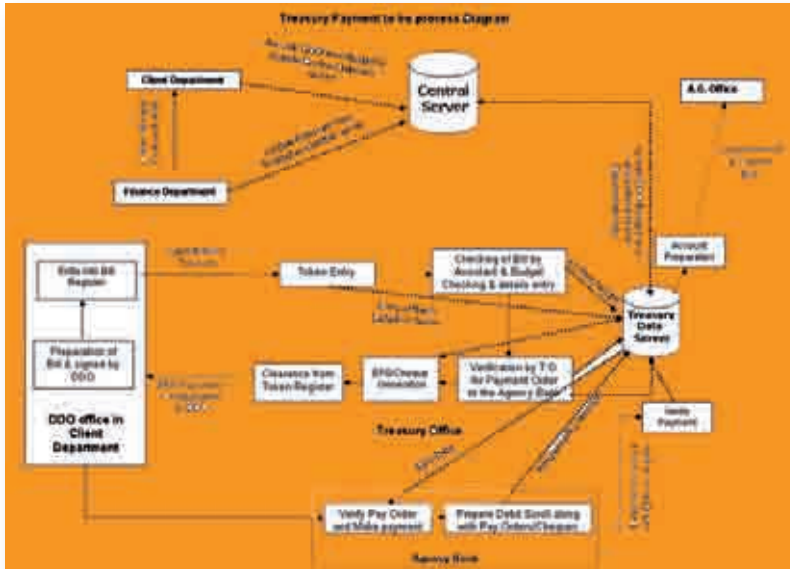


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**THE ELECTRONIC PAYMENT SYSTEM DEVELOPED BY NIC-HARYANA HAS GIVEN A QUANTUM LEAP TO THE PROCESS OF FINANCIAL APPROVAL BEING GIVEN BY STATE TREASURIES AND ELECTRIFIED THE DISTRIBUTION PROCEDURE LEADING TO HIGHER LEVEL OF SATISFACTION AMONG THE END USERS AND THE PAYEES.**

and if all the parameters are verified and budget is available, bill is passed and the budget data is updated. Mode of payment whether EPS, Cheque or Cash payment is then selected. Otherwise objections are recorded and list attached with the bill.

- Assistant Superintendent checks the bill with the details displayed on the screen which are then verified with the physical bill.



Treasury payment to be process diagram

- After that the bill goes to Treasury officer (ATO in case of sub-treasury) for verification. In case of objection the bill can be sent back to Token Counter or bill passing clerk. After updation of payees' data, the bill again comes to T.O. for verification. A verified bill goes to EPS generation section and a Pay Order and two invoices are generated. There can be multiple bills and payees in a single pay order. A pay order is generated for all the pending bills of a DDO in a single Major head. The pay order and one invoice are handed over to the DDO and one invoice is kept in the treasury for record purpose. In case of Cheque, the bill goes to Cheque generation section and a Cheque is generated.
- The EPS pay order is printed on A4 size sheet and is valid for a period of ten days. A unique EPS number and list of payees (with bank details) is also printed on the pay order. The pay order is signed by Treasury officer and stamped and endorsed by the DDO. Pay order can be for normal EPS, consolidated EPS, for pensioners, for refund etc. For large number of payees in a bill, there is option to generate a consolidated EPS instead of a normal EPS.

DDO provides soft copy of the list to the bank and there is instruction in the pay order to make payment to the payees.

- Data in encrypted form is sent by mail to the treasury branch of bank where it is decrypted and imported in TEPS. An acknowledgement code is displayed and mailed to the treasury. The code is to be acknowledged by the Treasury officer in OTIS otherwise further generation of pay orders is stopped after one hour of EPS file generation.

The pay order is presented in bank by DDO/messenger and is verified in TEPS using the EPS number. For the purpose of verification of EPS pay order, the pay order number is entered on the basis of EPS pay order received physically. The details of the EPS pay order are displayed on screen. The same is matched with the hard copy of the EPS pay order and verified on the computer.

For verified pay orders, three files are generated, one containing transactions with the various branches of the treasury bank, one for NEFT containing transaction for other banks of amount upto Rs. 2 lakhs and one for RTGS containing transactions for other banks of amount above Rs. 2 lakhs. The bank official uploads these files onto their system and specified amount is credited

directly in the bank account of payees. In case of failure by NEFT/RTGS, a draft or RTR is made in favour of the payee and handed over to the DDO. Further in case of failure on account of wrong bank details of payee, the information is received back online from the bank and the related UCP is blocked until the details are corrected by DDO.

After payment, payment verification is done in TEPS using the EPS number and for any unsuccessful transaction then the Draft or RTR no. is entered.

- A scroll is also generated for the payments done which is sent to the treasury. Digital data is also sent by mail to the treasury. Verification of bills is done using the digital data and payment scroll and Voucher numbers are generated for each bill. All the data of this transaction is uploaded to the central server at day end and expenditure data for DDO budget is also updated in the central server.

### BENEFITS

It has provided an efficient, transparent and faster mode of payments clearances, saving people time, and reducing the red tape involved in conducting transactions with banks and state authorities. The biggest benefit to citizens/employees however is the improvement in government and administrative services.

### FUTURE PLANS

Soon the system will be replicated in all the sub-treasuries of the state. EPS will also allow digital endorsement by the DDOs and then the physical copy of the EPO will not be required.

### For further information

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