

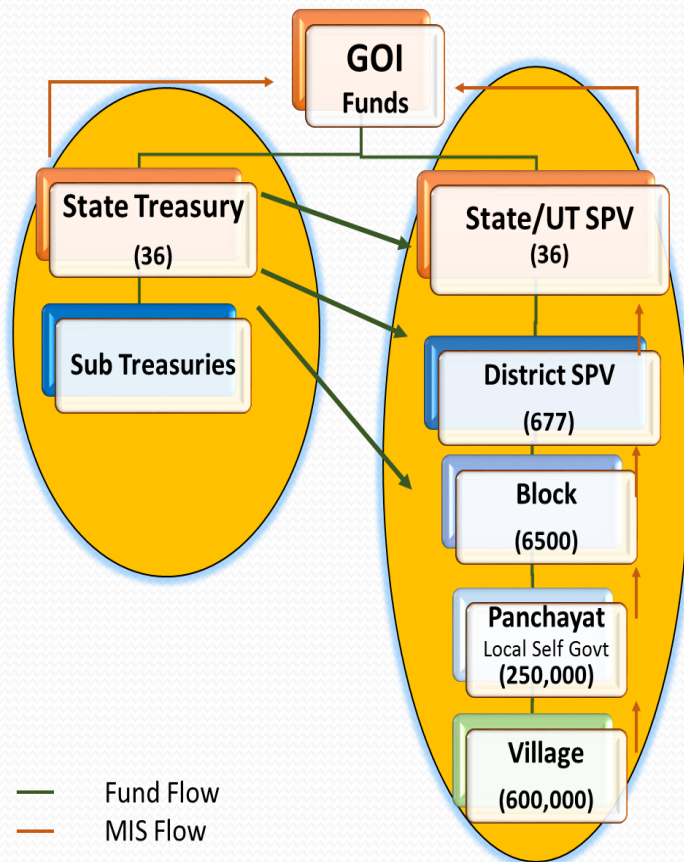


# Role of PFMS -Integration with State Finance

National Workshop on DBT  
22.07.2016

Controller General of Accounts  
Ministry of Finance

# Conventional Method: Transfer of Funds and MIS Flow



## Characteristics

Manual

Multiple Channels

Undue Delay in Payments

Non-Transparent

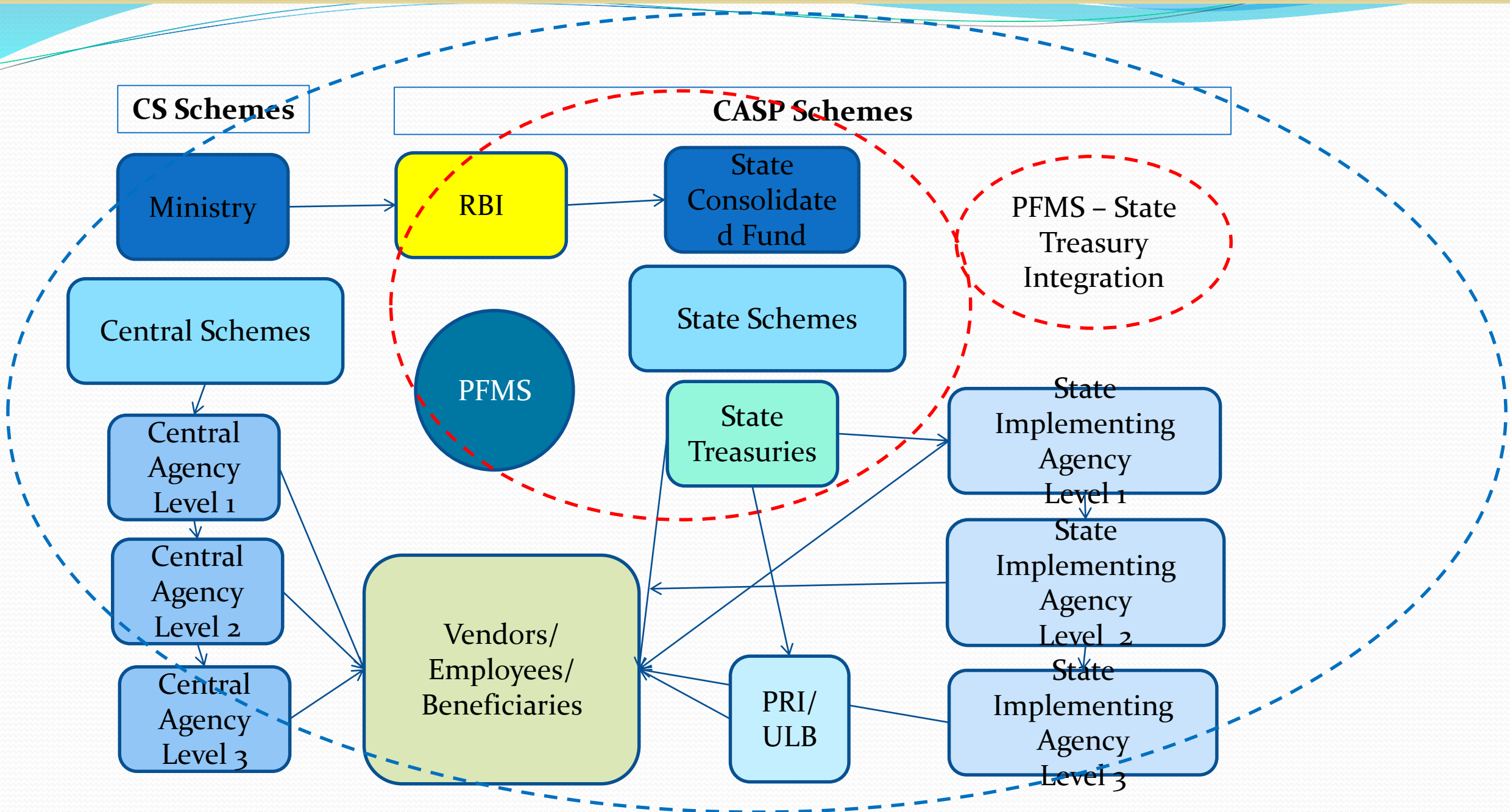
Dependency on Manual Records

Delayed Inputs (MIS) from Implementing Agencies impacting Quality and Speed of DSS

# Expectations of PMO

- PFMS to provide a robust system for ensuring 'Just in Time' releases in respect of Central Sector (CS) and Central Assistance to State Plan (CASP) schemes.
- Complete monitoring of utilization of funds under these two categories upto the end beneficiaries including information on end use of funds.

# PFMS based Fund Flow for CS and CASP Schemes



# PFMS-Integration with State Finance

## **Proposed in two Phases:**

1. PFMS-State Treasury Integration ▶
2. Integration of State Implementing Agencies with PFMS through Mandatory Use of EAT Module ▶

# Benefits to State Governments

- State Govt. receives details of funds devolved from GoI immediately.
- Copies of sanction orders will be available in pdf for the State users.
- As the data will be available in xml format, the same could be consumed in their system for reporting purposes.
- The information on releases can be used to communicate to the respective departments in the State for further release.
- The utilization can be monitored by State Departments for the Schemes where Funds received from GoI is further transferred to Implementing Agencies (IAs) such as State Health/ Education Societies using PFMS –CBS Interface.
- Interest Savings due to reduction in Float Funds
- States using PFMS platform for DBT have advantages:
  - Validation of Bank Accounts of Beneficiaries
  - Reducing failed transactions
  - Removal of Ghost beneficiaries
  - Online Status of Success and Failure from Banks

# Interface with different Systems

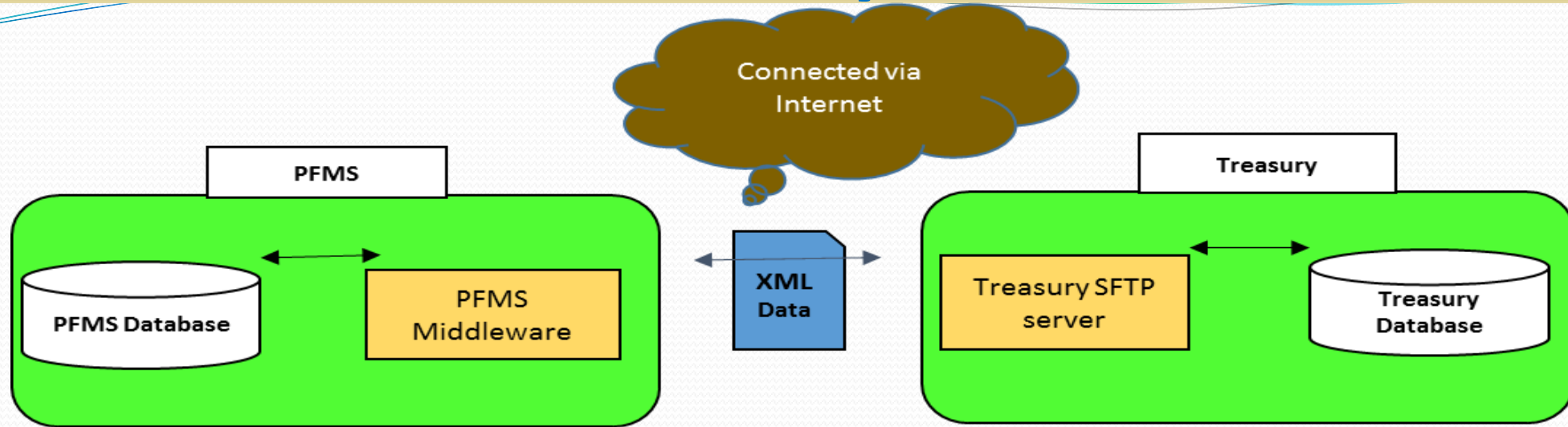
- **PFMS is designed as a network-of-networks**, as such it is able to interface and integrate with existing MIS applications of different schemes used by State Implementing Agencies.
  - Integration with :
    - ✓ UP Scholarship and Social Pension Portal
    - ✓ Ethibak Application of Maharashtra for subsidy payment
    - ✓ Kanyashree Online Portal of West Bengal
    - ✓ Integrated with Food Subsidy MIS
    - ✓ MCTS of National Health Mission
    - ✓ NSAP-MIS of Rural development
    - ✓ Integrated with MGNREGSoft and AwasSoft of Rural development



**Thanks!**



# PFMS - Treasury Interface



## ❑ Steps involved for complete PFMS-State Treasury Integration:

- Sharing Masters of Departments, Scheme Codes, DDOs, Treasuries, Object Heads
- Setting-up of SFTP Server
- Mapping of GoI Schemes with State specific Schemes
- Sharing of Transaction Data for **mapped Schemes**
- Training & Handholding by CPMU Team
- To be competed in three phases-
  - 10 States/ UTs by 31.08.2016
  - 15 States/UTs by 31.10.2016
  - Remaining States/UTs by 31.03.2017



# Integration of State Implementing Agencies with PFMS

- Mandatory use of Expenditure Advance & Transfer (EAT) Module of PFMS by all IAs
- Complete inventory of SIAs at all levels
- Mandatory registration of all SIAs at all levels
- Configuration of Hierarchy and Components of the CASP Scheme which will be further customised by SPMU as per requirement
- Training & Handholding by SPMU/ DPMU teams
- To be completed by 31.12.2017

