

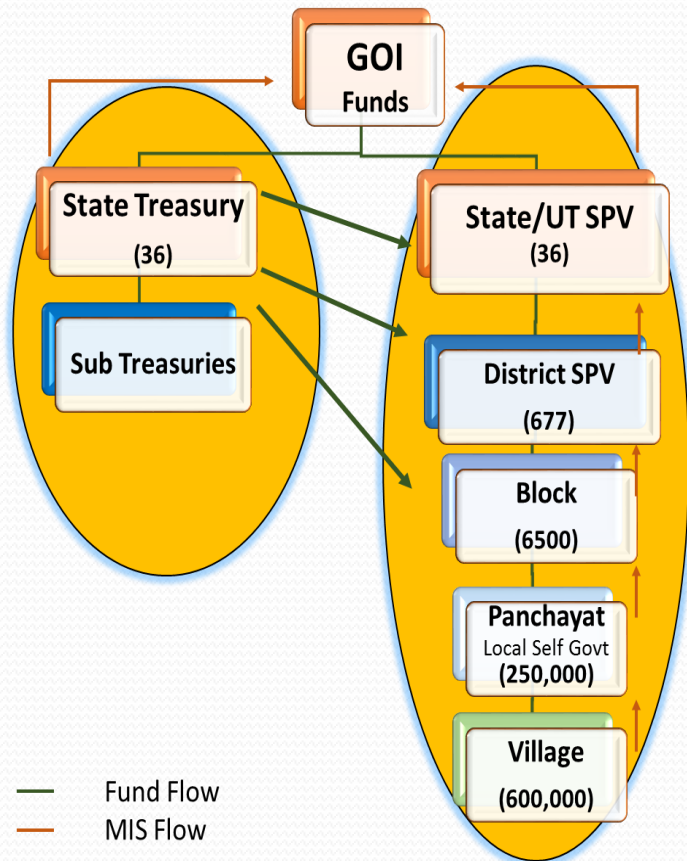


Role of PFMS -Integration with State Finance

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

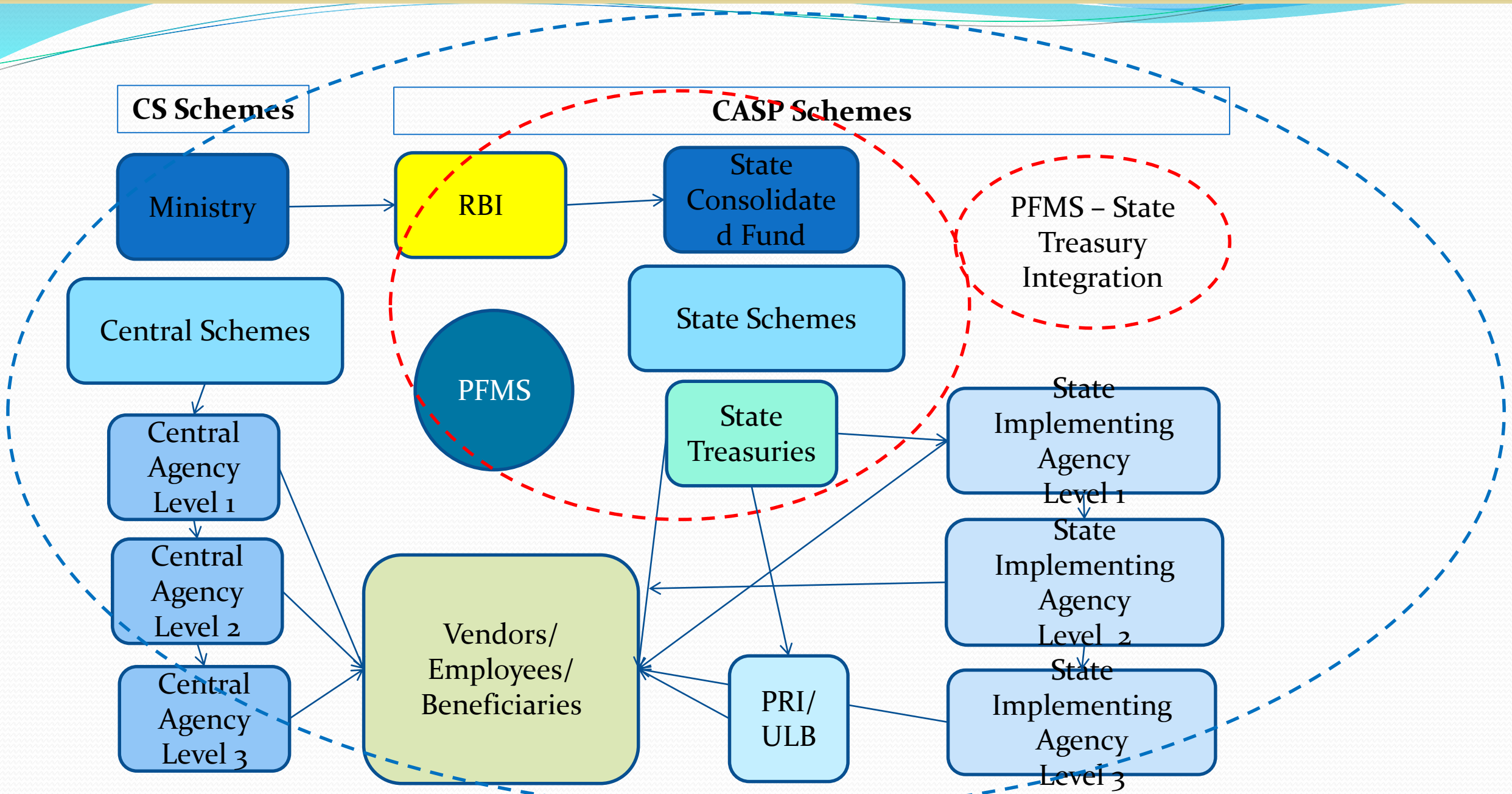
Dependency on Manual Records

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

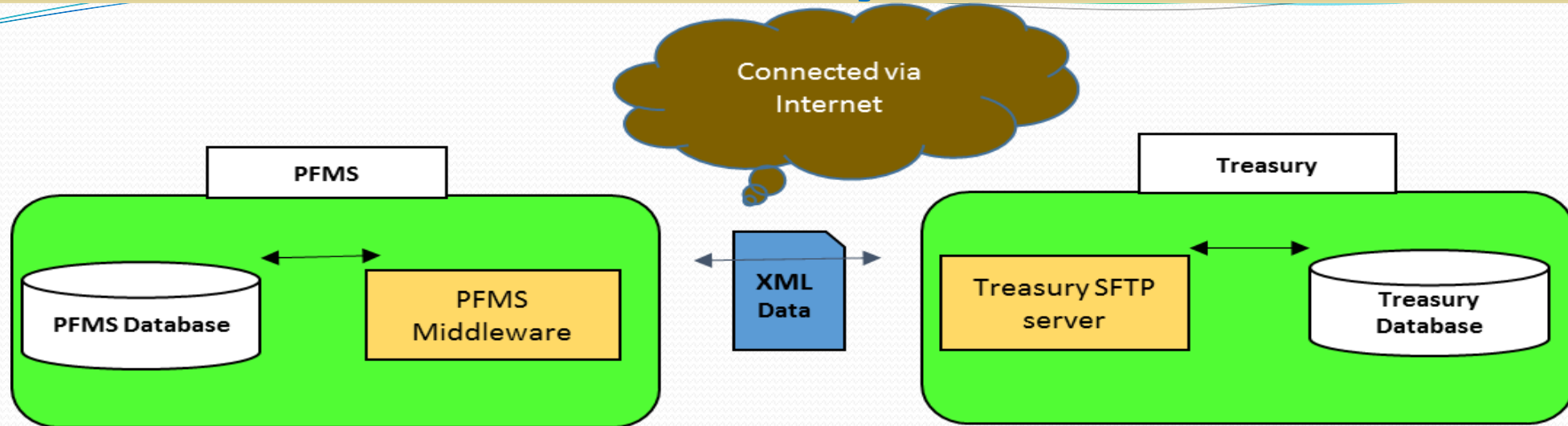
Interface with different Systems

- **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 completed 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

