

F.No. 1(26)/2014-Budget
Government of India
Ministry of Agriculture and Farmers Welfare
Department of Agricultural Research and Education

Krishi Bhawan, New Delhi-110001
Dated the 16th March, 2017

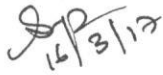
OFFICE MEMORANDUM

Sub: **Universal Roll-out of Public Financial Management System (PFMS) in ICAR reg.**

The undersigned is directed to refer to the instructions issued by the Controller General of Accounts, Ministry of Finance and the General Financial Rules, 2017 (Rule 86) (copy enclosed) on the above mentioned subject and to say that the release of funds with effect from 1st April, 2017 shall be made through PFMS. The expenditure to be incurred by the units of ICAR including Research Institutes, AICRPs, KVKs etc. shall have to be reported on the PFMS portal to ensure the subsequent release of funds.

2. Further information is available at website: pfms.nic.in or through the PFMS Project Officers at the following contact details:

S. No.	Name of the Officers / Designation	Phone Nos.	E-Mail id
1.	Smt. Jaspal Kaur Prodyot, Dy. CGA	011-23343860 Extn. 306	J_pradyot@yahoo.com
2.	Smt. Parul Gupta, ACGA	011-23343860 Extn. 342	ca.parulgupta@rediffmail.com
3.	Sh. Vivekanand, ACGA	011-23343860 Extn. 339	vivekjs@gmail.com


(Sunita Arya)
Sr. F&AO (Budget)

Distribution:-

1. All DDGs.
2. Directors of all Research Institutes/Project Directorates/National Research Centres/Zonal Project Directors.
3. All concerned Sections in the Council of ICAR KB/KAB/KAB-II, New Delhi.
4. Chief Finance/Sr. Finance/Finance & Accounts officers at ICAR Krishi Bhawan, New Delhi and KAB-I & KAB-II, P & I/ASRB, Pusa, New Delhi.
5. Ms. Mitali Ghosh Roy, Chief & Incharge, DKMA, KAB-I for uploading the above OM on ICAR Web-Site.
6. Estt. (DARE), Krishi Bhawan, New Delhi



the Consolidated Fund of India and is not subject to vote by the legislature. All other expenditure met out of the Consolidated Fund of India is treated as Voted expenditure. Charged or Voted Expenditure shall be shown separately in the accounts as well as in the Budget documents.

Rule 84 Capital or Revenue Expenditure.

Significant expenditure incurred with the object of acquiring tangible assets of a permanent nature (for use in the organisation and not for sale in the ordinary course of business) or enhancing the utility of existing assets, shall broadly be defined as Capital expenditure.

Subsequent charges on maintenance, repair, upkeep and working expenses, which are required to maintain the assets in a running order as also all other expenses incurred for the day to day running of the organisation, including establishment and administrative expenses shall be classified as Revenue expenditure. Capital and Revenue expenditure shall be shown separately in the Accounts.

Rule 85 Banking Arrangements. The Reserve Bank of India (RBI) shall be the banker to the Government. It shall maintain cash balance of the Government and provide banking facilities to the Ministries and subordinate or attached offices either directly through its own offices or through its agent banks. For this purpose, RBI shall, in consultation with the Controller General of Accounts, nominate a bank to function as Accredited Bank of a Ministry or Department. Pay & Accounts offices and Cheque Drawing and Disbursing Officer shall have assignment accounts with the identified branches of the Accredited Bank of the Ministry. All payments shall be made through these identified bank branches. These branches shall also collect departmental and other receipts. Tax revenues of the Government shall be collected by the RBI through its own offices or through the nominated branches of its agent banks.

Note: Detailed procedure to be followed for remittance of Government receipts into Government cash balance and reimbursement of payments made on behalf of Government by the banks are

laid down in the Memoranda of Instructions issued by the Reserve Bank of India.

Rule 86 Public Financial Management System (PFMS).—

- (1) Public Financial Management System (PFMS), an integrated Financial Management System of Controller General of Accounts, Government of India, shall be used for sanction preparation, bill processing, payment, receipt management, Direct Benefit Transfer, fund flow management and financial reporting.
- (2) All the ministries sanctioning grant-in-aid shall register all implementing agencies till last level of implementation on PFMS to track fund flow and unspent balances.
- (3) All the payment, to the extent possible, shall be released 'just-in-time' by the Ministries through PFMS.
- (4) Detailed Demand for Grants (DDG), as approved, must be uploaded on PFMS at the start of each Financial Year.
- (5) All the re-appropriation orders, surrender order shall be generated through PFMS system.
- (6) All grantee institutions shall submit Utilisation Certificates on PFMS.

Rule 87 Direct Benefit Transfer.

- (1) Transfer of benefits should be done directly to beneficiaries under various Government Schemes and Programmes using Information and Communication Technology (ICT). Necessary process reengineering to minimise intermediary levels and to reduce delay in payments to intended beneficiaries with the objective of minimising pilferage and duplication should be done for all Government Schemes and Programmes. The process for implementation of DBT as prescribed should be adopted.
- (2) DBT should include in-kind and cash transfers to beneficiaries as well as transfers/honorariums given to various enablers of government schemes like community workers, etc. for successful implementation of the schemes.

F. No. 66(29) PF-II/2016
Government of India
Ministry of Finance
Department of Expenditure
Plan Finance II

North Block, New Delhi
Date: 15th July, 2016

OFFICE MEMORANDUM

Subject: Universal roll-out of Public Financial Management System (PFMS) for Central Sector Schemes.

The undersigned is directed to state that at various review meetings, the Hon'ble Prime Minister has emphasized the need for improved financial management in implementation of Central Plans Schemes so as to facilitate Just-in-Time Releases and monitor the usage of funds including information on its ultimate utilization.

2. The Public Financial Management System (PFMS) which is administered by the Controller General of Accounts in the Department of Expenditure is an end-to-end solution for processing payments, tracking, monitoring, accounting, reconciliation and reporting. It provides the scheme managers a unified platform for tracking releases and monitoring their last mile utilization.

3. In order to abide by the directions to implement Just-in-time releases and monitor the end usage of funds, it has been decided to universalise the use of PFMS to cover all transactions/payments under the Central Sector Schemes. The complete monitoring of these schemes will require mandatory registration of all Implementing Agencies (IAs) on PFMS and mandatory use of Expenditure, Advance & Transfer (EAT) module of the PFMS by all IAs.

4. The Implementation Plan covers the complete universe of Central Sector Schemes, which inter-alia requires the following steps to be taken by each Ministry/Department:-

- (i) All Central Schemes should be mapped/configured and brought on the PFMS platform
- (ii) All Implementing Agencies (IAs) receiving and utilizing funds need to be mandatorily registered on PFMS
- (iii) Usage of PFMS modules should be made mandatory for all registered agencies for making payments, advances and transfers
- (iv) All Departmental Agencies incurring expenditure in respect of Central Sector Schemes should register and compulsorily use the PFMS Modules
- (v) All Grantee Institutions may be directed to adopt PFMS modules for making Payments/Transfers/Advance from Grants received from the Central Govt. This will enable generation of on-line Utilization Certificates for claiming funds from the Central Government
- (vi) Ministries may also take action for integrating their respective systems/applications with the PFMS

5. The Central Project Monitoring Unit (CPMU) of PFMS will assist the Central Ministries/Departments in registration of Implementing Agencies for the Central Sector Schemes. Thereafter, Ministries will be required to deploy/allocate their own resource persons to support Departmental Agencies as well as Grantee Institutions. The full roll-out of PFMS may require fresh assessment of resources, including hardware, software, connectivity and technical resources to facilitate implementation at all levels of hierarchy.

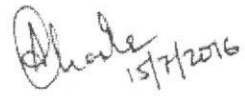
6. Chief Controller of Accounts (CCAs) / Controller of Accounts (CAs) are required to draw up an Action Plan to facilitate full roll out of PFMS in their respective Ministries in consultation with the Secretary/Financial Advisor of the Ministry concerned.

7. As per the approved Action Plan, all Central Ministries /Departments should complete the full roll-out in respect of the Ministry/Department and Attached/ Subordinate Offices by 31st October 2016. All Grantee Institutions should complete the roll-out by 31st March 2017.

8. Further information is available at website: pfms.nic.in or through the PFMS Project Officers at the following contact details:

Sl. No.	Name of Officers /Designation.	Phone Nos.	E-Mail ID
1.	Smt. Jaspal Kaur Pradyot, Dy.CGA	011-23343860 Extn.306	J_pradyot@yahoo.com
2.	Smt. Parul Gupta, ACGA.	011-23343860 Extn.342	ca.parulgupta@rediffmail.com
3.	Sh.Vivekanand, ACGA	011-23343860 Extn.339	vivekijs@gmail.com

9. This issues with the approval of Finance Secretary.


(Arunish Chawla)

Joint Secretary to the Govt. of India

All Secretaries to Government of India

Cc: Principal Secretary to Prime Minister

Cabinet Secretary

CEO, NITI Aayog

Controller General of Accounts

All Financial Advisers

All Joint Secretaries, Department of Expenditure

PS to FM/MoS(F)