

CENTRAL SILK BOARD  
BANGALORE-560068

NO.CSB-30(3)/2017-18/Accts/PFMS

Date: 07.04.2017

CIRCULAR

Sub: Utilization of Public Financial Management System (PFMS) for implementing various schemes sanctioned by Government of India (GOI) to Central Silk Board (CSB) and release of payments - reg.

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Ministry of Finance, Dept. of Expenditure, Govt. of India, vide OM No.66(29)/PF.II/016 dated 15<sup>th</sup> July, 2016 issued instructions regarding universal Roll Out of Public Financial Management System for Central Sector Schemes. Subsequently Office of the Chief Controller of Accounts, Ministry of Textiles, vide OM No.PrAO/BBA/PFMS (EAT)/MOT/1164-1171, dated 16<sup>th</sup> August, 2016 had issued instructions for providing fund flow hierarchy and identification of components apart from steps to register under PFMS portal (a copy of which had already been sent to all the CSB units vide this office letter of NO.CSB-30(1)/2013-14/Accts/NIFM, dated 23.08.2016).

In accordance with the Rule 86 of General Financial Rules 2017, the PFMS an integral Financial Management system of Controller of Accounts of GOI shall be used for sanction preparation, bill processing, payment receipt management, Direct Benefit Transfer (DBT), fund flow management and financial reporting. 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. All the payment, to the extent possible, shall be released 'just-in-time' by the Ministries through PFMS. Detailed Demand for Grants (DDG), as approved, must be uploaded on PFMS at the start of each Financial Year. All the re-appropriation orders, surrender order shall be generated through PFMS system. All grantee institutions shall submit Utilisation Certificates on PFMS.

Hence, it has been decided to utilize the PFMS from the Financial Year 2017-18 in CSB as per the direction received from the office of the Chief Controller of Accounts, Ministry of Textiles and Commerce, New Delhi. In this respect, it may be recalled that a training programme had also been organised earlier with regard to the operation of PFMS portal by creating user-id and password and also thru Video Conference. As such all the concerned are aware of the operation of the PFMS system. It is to inform that almost all the main units of CSB and the delegated units working under them along with ROs had registered and created account under PFMS and the stage is set to take off.

Three tier operators are required to be created for the operation under PFMS as detailed below.

1. **Data Operator** - **Maker** with separate user-id and password (Below the cadre of AD)
2. **Data Administrator** - **Checker** with separate user-id and password (DD/AD)
3. **Data Approver** - **Approver** with separate user-id and password (DDO/Director)

In case of absence of officer/official in the above designated cadre then the available staff atleast at 2 levels i.e. maker and approver shall be created.

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After successful creation of the respective user-id and password with the approval of DDO/Director, the same procedure may be adopted for the nested units working their control and feedback may be sent to Central Office for appraising the Competent Authority accordingly. The CSB units may seek any guidelines as and when required from Central Office, Bangalore so as to get their doubts cleared then and there. Operation of the PFMS system will start working from 01.04.2017 onwards. Henceforth, Central Office, Bangalore will transfer funds only through PFMS which may please be noted. CSB units have to receive funds thru the PFMS portal. In the similar way the main units will henceforth transfer funds to their nested accounting units through PFMS only. The existing system of maintenance of accounts under FAS will continue.

The PFMS portal (<https://pfms.nic.in>) is also having the demo system alongwith the line flow chart that can be studied fully and the respective users can acquaint themselves. The required clarifications/doubts /guidelines, if any, with regard to the operation and utilization of PFMS may be sent through e-mail ([pfmsco.csb@gov.in](mailto:pfmsco.csb@gov.in)) / FAX / over phone to Shri. Shivalingaiah.S, AD (A&A), Nodal Officer and Shri. H.A.Panduranga, DD (Comp.), Co-ordinator at CSB, Central Office Bangalore.

It is strictly advised to upload all the information / details of Officers & Staff, labourers/ Vendors etc., for the implementation of the same and for the regular payment and under DBT mode as advised by the Ministry of Textiles.

As per Rule-87 of GFR-2017 - Director Benefit Transfer (DBT) - 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. 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.

Transfer of cash benefits from Ministries/Departments should be done (a) directly to beneficiaries from Ministries/ Departments; (b) through State Treasury Account; or (c) through any Implementing Agency as appointed by Centre / State Governments. In-kind Transfer to Individual Beneficiary/ Household/Service provider includes schemes or components of schemes where in-kind benefits are given by the Government or through any Implementing Agency as appointed by Centre/State Governments to Individual Beneficiary/Household/Service providers. Ministries/ Departments will use PFMS platform for processing of payments for cash / in kind transfers to individual beneficiaries as per framework laid down by Department of Expenditure, Ministry of Finance. Implementing Agencies shall generate Electronic Utilisation Certificate (E-UCs) on PFMS portal and submit them online. E-UCs shall be used to certify that money was actually utilized for the purpose for which it was sanctioned to eliminate the need for physical generation of UCs. Transaction charges for the financial intermediaries facilitating DBT payments shall be paid as stipulated by Ministry of Finance.

Strict action may please be taken as per the above directions for the effective / complete utilization of the above said PFMS system.

  
[R. SATHISH KUMAR]  
DIRECTOR[FINANCE]

To,  
The Directors/Incharge of Main Institutes/ROs/CC/RMB and MRMB