

PUBLIC FINANCIAL MANAGEMENT SYSTEM (PFMS) & DBT

O/o Controller General of Accounts,
D/o Expenditure, M/o Finance,
Government of India
15.03.2017

Objectives of PFMS

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- ❑ Real time, reliable and meaningful MIS and effective Decision Support System(DSS).
- ❑ Establishes an efficient fund flow system as well as a Payment cum Accounting system.
 - Serves as a platform for payment, accounting, funds transfer & DBT
 - Tracks funds from top to bottom
 - Detects & minimize float(unutilized funds)
 - Helps in moving from cash basis to utilization based accounting
 - Helps in moving from post-facto accounting to real-time accounting
 - Standardizes processes & reports for all schemes & stakeholders
 - Facilitates transparency and auditability

Features of PFMS

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- Integrated with Banks and Indian Post Offices
- Configured for:
 - Budget allocation
 - Sanction & bill generation
 - Fund disbursements, accounting & reconciliation
 - E-payments to both at central and state level
 - Beneficiary Management
 - Generation of on-line Ucs
 - Generation of reports on releases, utilization, advances

Main Modules of PFMS

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- Sanction & payment modules for central level
- Agency Registration Module
- Funds Transfer/E-payment & Adv. Modules for States/IA
- **Direct Benefits Transfer (DBT)**
- Post-facto accounting/expenditure filing modules
- Funds Management modules
- Reports & monitoring modules

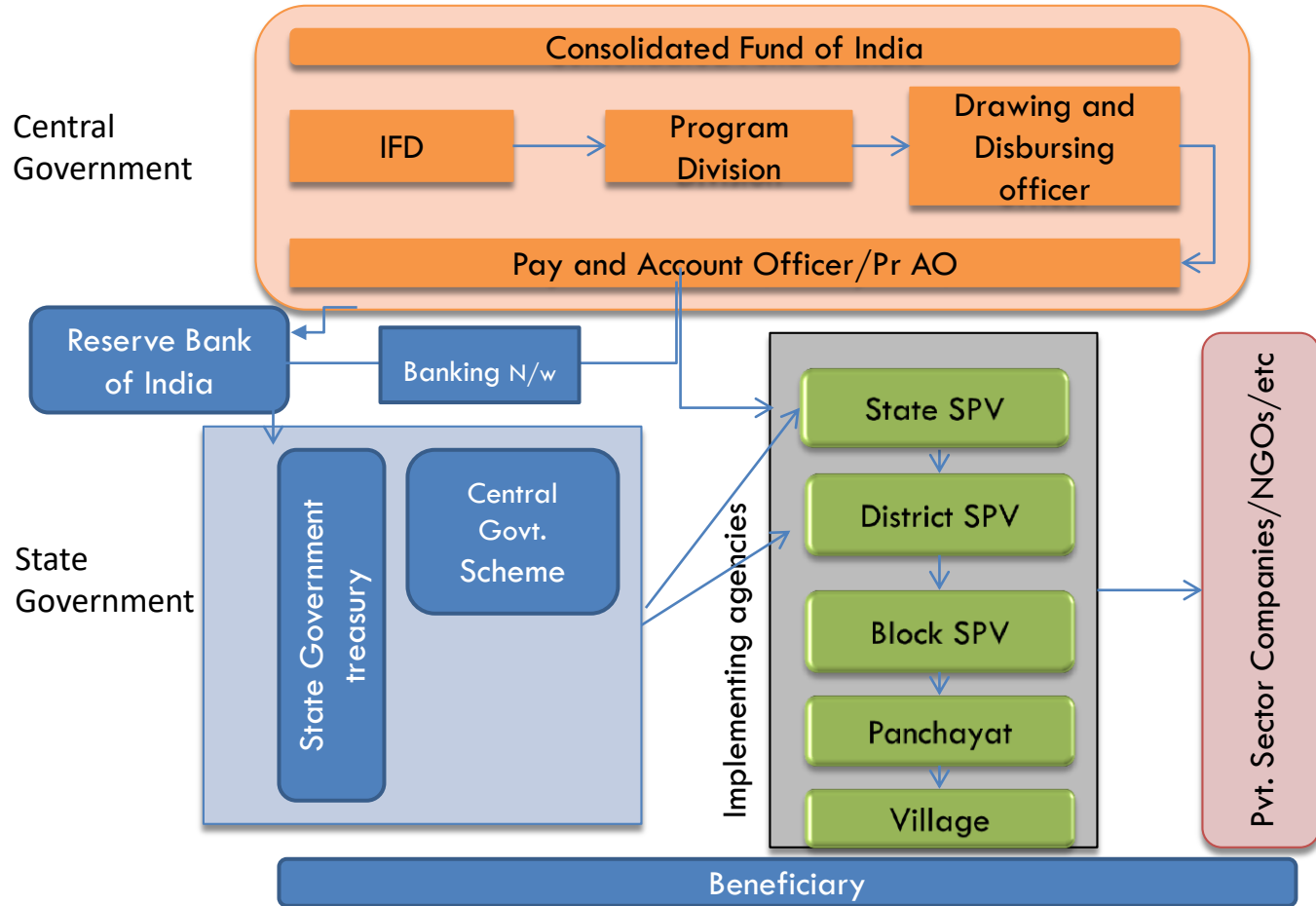
Objective of DBT

- Direct Benefit Transfer to bank accounts of the beneficiaries is implemented with the purpose of bringing all schemes involving components of cash transfer to individual beneficiaries on DBT platform. Direct Benefit Transfer can be effected either by State Governments and its agencies in case of Central Assistance to State Plan Schemes where fund is transferred to the Consolidated Fund of the State Governments or by Central Government through Pay & Accounts Offices in Central Sector Schemes. PAO-DBT module is used for transferring fund directly to the beneficiaries account by Pay & Accounts Offices on receipt of beneficiaries' details from State Government or its agencies. Scholarship Schemes of various Central Ministries in one example where PAO-DBT can be used for direct benefit transfer.

Process Flow – fund flow and monitoring

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PFMS integrated with 93 banks



Public Financial Management System

List of DBT Schemes on PFMS

Name of Ministry		Name of Schemes	
1	M/o Tribal Affairs	1	Post Matric Scholarship for ST
		2	Top Class Education Scheme
		3	Rajiv Gandhi National Fellowship
2	M/o Social Justice & Empowerment	4	Post Matric Scholarship for SC Student
		5	Post Matric Scholarship for OBC Student
		6	Upgradation of Merit of SC Student
		7	Pre Matric Scholarship for children of Those Engaged Unclean Occupations
		8	Pre Matric Scholarship for SC
		9	Top Class Education Scheme for SC
3	M/o Women & Child Development	10	Indira Gandhi Matritva Sahyog Yojana (IGMSY)
4	M/o Health & Family Welfare	11	Janani Suraksha Yojana (JSY)
5	D/o School Education & Literacy	12	National Scheme for incentive for the Girl Child for Secondary Education
		13	National Means cum Merit Scholarship
6	D/o Higher Education	14	Fellowship schemes of AICTE
		15	Fellowship schemes of UGC
		16	Scholarship to Universities/college Students
		17	Dr. D.S. Kothari Post Doctoral Fellowship
		18	UGC National Eligibility Test - JRF
		19	Emeritus Fellowship
		20	Post Doctoral - Fellowship for Women
		21	BSR Doctoral Fellowship in Science
		22	Dr. S. Radhakrishnan Post Doctoral Fellowship in Humanities & Social Sciences (including Languages)
		23	Special Scholarship Scheme for North Eastern Region (Ishan Uday Scheme)
		24	Post Matric Scholarship Scheme for Minorities
7	M/o Minority Affairs	25	Maulana Azad National Fellowship
		26	Merit Cum Means Scholarship for Minorities
		27	National Child Labour Project (NCLP)
8	M/o Labour & Employment	28	Scholarship to the Children of Beedi Workers
		29	Housing Subsidy to Beedi Workers
		30	Stipend to Trainees Under the Scheme of Welfare of SC/ST job Seekers through Coaching, Guidance and Vocational Training
		31	Payment of Stipend to Trainees Under the Scheme of Skill Development in 34 Districts Affected by Left Wing Extremism (LWE)
		32	Stipend to Trainees Under the Scheme of Skill Development in 34 Districts Affected by Left Wing Extremism (LWE)

AVAILABLE PROCESSES FOR DBT ON PFMS

1. Process Type 1 :

- Beneficiary Identification by IA
- Payment batch preparation by IA
- Authorization by **same** IA in PFMS
- Payment from bank Account of **same** IA

2. Process Type 2 :

- Beneficiary Identification by IA
- Payment batch preparation by IA
- Payment Batch authorization by **Higher Level** IA
- Payment from **bank Account** of **Higher level** IA

AVAILABLE PROCESSES FOR DBT ON PFMS

3. Process Type 3:

- Beneficiary Identification by IA
- Payment batch preparation by IA
- Digitally Signing Batch by IA
- **Payment from Ministry** with involvement of PD, DDO and PAO

4. Process Type 4 :

- Beneficiary Identification and Payment Batch preparation in **External Systems** (Like OSMS of MoMA, UGC CanBank of Higher Education, PDS and MCTS of Health and Family Welfare Dept
- Payment Batch Authorization in PFMS by IA by Applying DSC .
 - Final payment can be done through Agency Bank Account or
 - Through Ministry by Pay and Account Office.
 - Through Treasury by Treasury Officers

Pre-requisites for DBT on PFMS

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- ❑ Scheme configuration
- ❑ Registration of IA with or without bank a/c
- ❑ Digitization of beneficiary data
- ❑ Creation of Users(Makers & Checkers)
- ❑ Scheme & components mapping
- ❑ Availability of funds in bank a/c regd. on PFMS
- ❑ Bank Account activation

Features of PFMS DBT Payment

Process

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- PFMS Support both Aadhaar based as well as Account based payments with preference being given to Aadhaar based payment if related information is available.
- **Following main validations are applied on the Beneficiary Records**
 - ▣ Structural validation (Check digit and 12 digits) of Aadhaar Number
 - ▣ Duplicate Beneficiary Check
- Two beneficiaries with Same Aadhaar Number not accepted
- Two Beneficiaries with same Beneficiary name + Bank Name + Account number not accepted
- Two Beneficiaries with same scheme specific ID will not be treated as duplicate

Features of PFMS DBT Payment Process

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- ❑ Bank Account Number should be as per Account number rule of concerned Bank
- ❑ Standard Valid Bank Names (short/long) and IFSC codes are accepted to minimize rejections. List available from PFMS portal.
- ❑ At the time of Beneficiary Approval, Checker is shown both the beneficiary names i.e. the name registered by the agency and beneficiary name in the bank

Features For Payment through Agencies

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- Payment can be made by any level of Agency while data can be updated/uploaded from lower levels in PFMS
- Lower level can initiate the payment and submit it to higher level agency for payment. In this case, Bank Account of higher level agency is debited.
- One Payment Batch can contain both Aadhaar Based Payments as well as Account based payments
- PFMS automatically decide Payment Mode (Aadhaar Based or Account Based) based on the information available on banks interface with NPCI and NEFT/RTGS for beneficiary giving preference to Aadhaar Based Payment

Features For Payment through Agencies

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- If the Aadhaar based payment fails, agency can re-initiate the payment using account based mode
- Easy process for Repeat payments by using earlier data groups/files.
- Various Search criteria available to finalize the list of beneficiaries for payment

Features For Payment through Center Govt Ministry

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- Program Division can create one sanction for multiple beneficiaries list
- Program Division can see how has signed the original beneficiary list
- For Payment upto 10 Lacs, Only one signatory needs to digitally sign the Payment Information File and for Payment of more than 10 Lakhs, Two Signatories needs to Digitally Sign the Payment information File



Thank You