

No. G-20011/06/2022-Budget
Government of India
Ministry of Rural Development
Department of Land Resources

G-Wing NBO Building,
Nirman Bhawan, New Delhi
Date 05th December, 2022

OFFICE MEMORANDUM

Sub: Revised procedure for flow of funds under Centrally Sponsored Scheme- one time exemption for non-SNA expenditure by States – reg.

The undersigned is directed to forward herewith a copy of Letter No.1(12)/PFMS/2020 dated 02nd December, 2022 received from Ministry of Finance, Department of Expenditure on the above mentioned subject for information and compliance.

Encl: as above.



(Rajeev Bahal)

Under Secretary to the Government of India

To

JS (WM)

Copy to:

Director (WM-RKS)/Director (WM-SKD) / Sr. AC (WM)/US (WM)

F. No. 1/(12)/PFMS/2020
Government of India
Ministry of Finance
Department of Expenditure

North Block,
New Delhi, 2nd December, 2022

To,

Chief Secretaries/Principal Secretaries (Finance): All States/UTs

Subject: Revised procedure for flow of funds under Centrally Sponsored Schemes – one time exemption for non-SNA expenditure by States - reg.

Sir/Madam,

The undersigned is directed to refer to DoE's guidelines on revised procedure for flow of funds for Centrally Sponsored Schemes issued vide OM No. 1(13)/PFMS/FCD/2020 dated 23rd March, 2021. As per the guidelines, the State Government should transfer the Central share of funds received under a CSS to the SNA account along with the commensurate State share. Further, any scheme related expenditure should be incurred by the State Government from the SNA account only. The SNA reports in PFMS are configured to capture the fund flow/expenditure in accordance with the DoE's guidelines.


2. However it has been observed that even after onboarding of the State Linked Schemes (SLS) on PFMS, some States have incurred expenditure under the scheme either directly from the treasury or by transferring funds to non SNA accounts. Such expenditure done in violation of DoE's guidelines is not captured/recognized in PFMS. Accordingly, for each such fund releases to non-SNA accounts/expenditure incurred directly from State treasury, the SNA 09 report reflects a 'deficit' of the equivalent amount in the release of scheme funds from State treasury to the SNA account. The 'deficit' invokes a validation check in PFMS which prevents further release of funds by Departments to such States.

3. Requests have been received from State Governments and Ministries/Departments to condone such expenditure incurred by the State Governments in the past in violation of DoE's guidelines and to include the same in SNA reports to prevent invocation of validation check.

4. The matter has been examined in this Department. It has been decided to consider such cases for granting one time exemption. Accordingly you are requested to provide details of CSS expenditure made directly from treasury or through non-SNA accounts after onboarding of SLS on PFMS and up to 30.11.2022 in the attached format (Annex

IA, IB) and seek one time exemption from this Department for including the expenditure so incurred in the SNA reports.

5. This issues with the approval of competent authority.


2/12/22
(Prateek Kumar Singh)
Director
Tel. No. 23094961

Copy for information to:

1. Secretaries of all Departments/Ministries of GoI
2. Financial Advisers of all Departments/Ministries of GoI
3. Addl. CGA (PFMS), O/o CGA, INA, New Delhi

Government of _____

Annexure IA

**Details of expenditure incurred by the State of _____
directly from the treasury after the onboarding of SLS on PFMS**

FY	SLS Code	SLS name	Date of onboarding of SLS on PFMS	Expenditure Incurred directly from State treasury after onboarding of SLS on PFMS		Purpose
				Date of Transaction	Amount (Rs)	
Total						

Name:

Designation:

(To be signed by the concerned
Finance Secretary of the State)

