

141459/2022/MOPR

सुनील कुमार, आई.ए.एस.
SUNIL KUMAR, IAS



सचिव
भारत सरकार
पंचायती राज मंत्रालय
SECRETARY
GOVERNMENT OF INDIA
MINISTRY OF PANCHAYATI RAJ
18th April, 2022

D. O. No. N-19011(16)/8/2016-e-Panchayat

Dear *Madam,*

As you are aware, the Ministry of Panchayati Raj has been monitoring Central Finance Commission (CFC) grants for bringing transparency in the activities of Panchayats to ensure optimal and targeted utilization of funds. Towards this end, PFMS has been mandated for expenditure of CFC funds by Panchayats through integration of eGramSwaraj with PFMS called eGramSwaraj PFMS Interface (eGSPI).

2. MoPR had undertaken an initiative jointly with PFMS to ensure that all the grants transferred to the Panchayats are captured automatically by means of reverse integration between State treasuries, PFMS and eGramSwaraj. Further it was also envisaged that a special provision may be made in State treasuries and PFMS to capture the component (tied/ untied) of the released grant. Multiple VCs in this regard have already been done with State treasuries and PFMS team in the past 1 year. Letters regarding the same have also been issued to States and Department of Expenditure dated 21 October 2021 and 21 May 2021(Annexure I) respectively. It is pertinent to mention here that while few State treasuries have already made this provision and are sending data according to "Tied/ Untied" component, similar provision to capture the same has not been completed at PFMS' end despite multiple requests by NIC-MoPR.

3. It is therefore requested that the said provision may be incorporated in PFMS at the earliest to enable capture of the grant component. Further, it is also requested that a strong and dedicated response team to the queries related to reverse integration issues raised by States is also set up in PFMS as currently issues raised by States take many days to get resolved. This not only hampers the trust of the State in our application(s) but inhibits the functioning of the Panchayats as they are unable to expend their development funds. Sh. Sanjay Joshi, Senior Technical Director, NIC-MoPR (joshi.sk@nic.in) may be contacted by your technical team to ensure speedy resolution of the aforementioned issues.

It is requested to accord high priority to this issue.

With best wishes,

Yours sincerely,

(Sunil Kumar)
18.4.22

Encl. As above.

Smt. Dharitri Panda
Additional CGA, PFMS,
Ministry of Finance,
Mahalekha Nyantrak Bhawan,
GPO Complex, 4th Floor, Block E,
INA Colony, New Delhi -110023.

141459/2022/MOPR

डॉ. चन्द्र शेखर कुमार, आई.ए.एस.

अपर सचिव

Dr. Chandra Shekhar Kumar, IAS

ADDITIONAL SECRETARY

Tel.: 011-23725301

E-mail : cs.kumar@nic.in

सत्यमेव जयते



पंचायती राज मंत्रालय
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टावर-II, 9वा तल
जीवन भारती बिल्डिंग,
नई दिल्ली-110001
MINISTRY OF PANCHAYATI RAJ
GOVERNMENT OF INDIA
Tower-II, 9th Floor
Jeeven Bharati Building,
New Delhi-110001

D.O. N-19011(16)/8/2016-e-Panchayat

Dated: 21st October, 2021

Dear Madam / Sir,

This is in reference to the letter of even no. dated 21 May 2021 (Annexure I) on bifurcation of tied/untied components in State treasuries.

2. In this regard, it is submitted that while the reverse integration is complete with most states, a bifurcation of the component (tied/untied) of the grants are still not being captured at the State treasuries. In further continuation of the same, Central PFMS team has created a SoP (Annexure II) to be followed by the technical teams at State treasuries so that the provision to demarcate the funds as tied/untied can be done. PFMS team has already made provisions in their software to consume the component shared by the State treasuries

3. It is, therefore, requested that the State Treasury systems may refer to the annexed SoP and make the necessary changes in their respective treasury software. State Panchayati Raj may please ensure that the necessary changes in the treasury application are completed on high priority. NIC-MoPR and PFMS team will conduct handholding sessions with the State Treasury and Panchayati Raj officials to acquaint them with the same. Once the necessary changes are incorporated, the process of fund flow from the Central Government to the Panchayats will be seamlessly integrated and shall completely obviate manual intervention thereby ensuring more transparency, ease of governance and targeted interventions. In case of any queries Sh. Sanjay Joshi (joshi.sk@nic.in), Technical Director, NIC-MoPR may be contacted.

Resd

Yours sincerely,

22.10.2021

(Dr. Chandra Shekhar Kumar)

Enclosed : As Above

To,
Additional Chief Secretary/ Principal Secretary- State Finance Department
All XV FC States

Copy to:

1. Additional Chief Secretary/ Principal Secretary - State Panchayati Raj Department (All XV FC States)
2. Smt. Dharitri Panda, Additional CGA, PFMS, New Delhi
3. Smt. Manie Khaneja, DDG, NIC-MoPR, New Delhi
4. Shri D.K Thangboi, Joint Secretary (Tribal Affairs and Hills), Manipur
5. Shri Aldous Mawlong, IAS, Commissioner and Secretary, District Council Affairs, Meghalaya

141459/2022/NICMoPR कुमार, आई.ए.एस

अपर सचिव

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ADDITIONAL SECRETARY

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पंचायती राज मंत्रालय

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MINISTRY OF PANCHAYATI RAJ

GOVERNMENT OF INDIA

Tower-II, 9th Floor,

Jeevan Bharati Building,

New Delhi-110001

D.O. N-19011(16)/8/2016-e-Panchayat

Dea Dr. Singh,

May 21, 2021

As you are aware, the Ministry of Panchayati Raj has been monitoring Central Finance Commission grants (CFC) for bringing transparency in the activities of Panchayats to ensure optimal and targeted utilisation of funds. Towards this end, Ministry had conceptualized and developed erstwhile PRIASoft-PFMS Interface (PPI) facilitating real time payments to the service providers / vendors in rural areas. Consequently, a work-based accounting system, e-Gram SWARAJ was launched by the Hon'ble Prime Minister on 24th April 2020 which subsumed all the applications of Panchayat Enterprise Suite (Planning, Reporting, Accounting/PRIASoft including PPI etc.)

2. PFMS is being mandated for expenditure of CFC funds by Panchayats through integration of eGramSwaraj with PFMS called eGramSwaraj PFMS Interface (eGSPI). Ministry now aims to capture the grants being received by the Panchayats apart from the expenditure data to mitigate the erroneous receipt voucher entries captured manually by the end users. Towards this end, Ministry has undertaken the integration of State treasuries with eGSPI. NIC-MoPR has already conducted VCs with all the States and PFMS teams to work out the modalities of integration. Most of the States have already completed the integration and others are in advanced stages of the same.

3. It is further submitted that while the amount of grant shall be captured automatically via respective State treasuries and eGSPI application, **the component (tied/untied) of the funds devolved are still not captured by the State treasuries** as informed to this Ministry in the interaction with various State Treasury teams. In the absence of the component/tag from State treasuries, it will not be possible for eGSPI application to differentiate whether the funds released are tied or untied, thereby, hampering the accounting of the Panchayats.

4. It is, therefore, requested that following advisory/guidelines may be issued to the respective State finance departments for enabling the capture of component (Tied/Untied) of the Grant-

- i. Respective State Finance Department may send a proposal to State Accountant General (AG) for allowing State finance department to create separate Account Head for both components of Tied and Untied Grant under XVFC before the preparation of RE (revised estimate) for the next financial year 2022-23
- ii. On approval from State AG, State Finance department may create those account head in the respective State treasury portal
- iii. At the instance of any new grant released for the State under XVFC, the grant will be released to Panchayat while recording for the respective account head

iv. While sharing the expenditure XML file from the State treasuries to PFMS an extra flag indicating tied or untied may be added (as a uniqueness tied=T, and Untied =U can be marked)

5. It is informed that Central PFMS team shall also incorporate the provision to consume the revised payment file in their application and share the data with the tied/untied tag with eGramSwaraj.

6. It is, therefore, requested to take cognizance of the aforementioned points and issue suitable guidelines to the State Finance departments. Once the necessary changes are incorporated, the process of fund flow from the Central Government to the Panchayats will be seamlessly integrated and shall completely obviate manual intervention thereby ensuring more transparency, ease of governance and targeted interventions.

It is requested to accord high priority to this issue.

Regal

Yours sincerely,

21.5.2022
(Dr. Chandra Shekhar Kumar)

Dr. Sajjan Singh Yadav
Joint Secretary
Public Finance-State Division,
Department of Expenditure,
Ministry of Finance, North Block,
New Delhi.

Copy to:

1. Sh. Subodh Mathur
Additional CGA, PFMS, New Delhi
2. Smt. Manie Khaneja
DDG, NIC-MoPR, New Delhi

SOP for sharing Tied/Untied

State treasuries will upload StateScheme Master data on PFMS using their TryAdm login as below:

Accepted tag values for tag **<SchemeType>** will be either T or U only for those budgetlines which is likely mapped with 15th FC Grants.

Note: If Budget line is to be mapped with CSS then acceptable tag value will be only S for state HoA and C for central HoA.

```
<StateSchemes>
  <stateSchemes xmlns:xsi="http://www.w3.org/2001/XMLSchema-instance">
    <StateCode>05</StateCode>
    <DepartmentCode>019</DepartmentCode>
    <BudgetCode>2501018000113PV19</BudgetCode>
    <StateSchemeCode></StateSchemeCode>
    <Description>राष्ट्रीय ग्रामीण आजीविका मिशन</Description>
    <Plan_Flag>P</Plan_Flag>
    <C_V_Flag>V</C_V_Flag>
    <CentralSchemeShare>75</CentralSchemeShare>
    <SchemeType>T (for Tied) or U (for Untied)</SchemeType>
    <SchemeNameLocal xsi:nil="true" />
    <SchemeShortName xsi:nil="true" />
  </stateSchemes>
</StateSchemes>
```