

FINANCE DEPARTMENT

Government of National Capital Territory of Delhi
4th Level, B-Wing, Delhi Secretariat, I.P. Estate, New Delhi

F. No. 04(03)/2020/T-1/Pr. A.O/ 3759-3778

Dated : 20-12-2022.

To

All Head of the Departments,
Govt. of NCT of Delhi,
New Delhi.

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

Sir/Madam,

Please refer to the Ministry of Finance, Govt. of India's letter No. F.1/(12)/PFMS/2020 dated 2.12.2022 wherein the Ministry has referred to their guidelines on revised procedure for flow of funds for Centrally Sponsored Scheme issued vide OM dated 23.03.2021; which stipulates that the State Government should transfer the Central Share of funds received under a CSS to the SNA account along with the commensurate State share. Any scheme related expenditure should be incurred by the State Government from the SNA account only.

2. Further, Ministry of Finance, GOI has 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. Accordingly, matter has been examined by the Ministry of Finance, GOI and has decided to consider such cases for granting one time exemption. As such, Ministry has sought **details of CSS expenditure made directly from treasury or through non-SNA accounts after on-boarding of SLS on PFMS and up to 30.11.2022** in the format provided by the Ministry as Annexure IA & IB along with their letter referred to above with the request letter from the State for granting one time exemption for including the expenditure so incurred in the SNA reports.

4. In view of above, you are requested to please provide the requisite information/data (if any) duly reconciled from the State Treasury and signed by the Head of the concerned Department (s); within 7 days of the receipt of this letter in the attached format (Annex IA and IB) to the Finance Department, Govt. of NCT of Delhi for onward submission of the same to the Ministry of Finance, GoI for taking appropriate action in the matter.

5. This issue with the approval of Pr. Secretary (Finance).

Yours faithfully,

Encl: As above.


(NIHARIKA RAI)
SECRETARY (FINANCE)

Shri Naresh Kumar

 1 attachment

02 DEC 2022

CS/2022/27576

2/12/22
for Sect (Rin)

https://email.gov.in/h/printmessage?id=C_10012008t-Aa-#Kallata-8...

TO ~~(Budget)~~ ~~12/12/2022~~
cc. A.O. (PFMS)

23-12

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

229/c

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.

Prateek Kumar Singh
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

22/8/20

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)

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Government of _____							
Annexure IB							
Details of funds released by the State of _____ to non-SNA accounts after the onboarding of SLS on PFMS							
FY	SLS Code	SLS	Date of onboarding of SLS	Funds released to Non SNA accounts			Reasons
				Date of Transaction	Amount	Account No. and Account Holder Name	
				Total			

Name:

Designation:

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