PUBLIC FINANCIAL MANAGEMENT SYSTEM

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

- What is PFMS
- Different Modules/Functions
- Evolution/approvals
- National Roll out Action Plan
- NTRP
- Challenges
- Way Ahead
Objectives of PFMS

Establish an efficient fund flow; DBT payment & Payment, Receipt cum Accounting system

Real time, reliable and meaningful
- Management Information System
- Decision Support System
Functionalities of PFMS

- **Fund Flow management of schemes**
  - The original function
  - Since inception

- **DBT (Direct Beneficiary Transfer):**
  - 134 schemes (60 central + 74 state schemes)

- **Payment, Receipts & Accounting**
  - MoF OM Dec 2014
  - Roll out since Oct 2015

- **Non-Tax Receipts Portal**
  - 15 February 2016 onwards

12/21/2016
Evolution of PFMS

- Launched in 2008-09 as Central Plan Scheme Monitoring System.
- An online Financial Management Information & Decision Support System.
- Initially implemented for four Schemes in four States.
- In 2013 Cabinet approved national roll-out and renamed as PFMS.
- Four tier structure approved by Cabinet:
  - Project Implementation Committee (PIC) – Strategic Planning & Decision Making
  - Central Project Monitoring Unit (CPMU)- At Centre for Project Coordination & Development.
  - State Project Monitoring Unit (SPMU) – For customization & implementation in States.
  - District Project Monitoring Units (DPMU) – Capacity Building & Implementation at District/Block/Gram Panchayat level
The PFMS evolution journey

**MILESTONES**

- **Pilot commenced at Central Level**
- **MoF OM to subsume all standalone systems**
- **2009**
- **2010-2011 → Pilot for 4 States and 4 Schemes**
- **2014**
- **2015**
- **2013**
- **GOI GIFMIS**
- **Road Ahead → → → National roll out Expenditure & Receipts of GoI HRMIS**
- **Payment & Accounting**
- **DBT**
Mandate from PMO

- **Improved Expenditure Management through**
  - Just in Time release of funds in respect of Central Scheme and CASP Schemes
  - Complete monitoring of usage of funds upto last point

- **PFMS to be universalised & linked to State Treasuries**
  - CGA to prepare an Action Plan for universal roll-out
  - Action plan, approved by D/o Expenditure sent to PMO.
  - Implementation strategy in Action Plan focuses on
    - Mandatory registration of all implementing agencies (IA) on PFMS and
    - Mandatory use of Expenditure Advance & Transfer (EAT) Module of PFMS by all I.As.
Administrative setup

- Manpower for CPMU
- Infrastructure upgrade at CPMU
- Setting up of SPMUs by O/o CGA
- Logistic support for SPMUs to be provided by States
- Setting up of DPMUs by States

Timelines

- Implementation for all Central Ministries up to 1st level agencies (excluding PSUs, Autonomous Bodies, NGOs) by October 2016; For other agencies by 31.3.2017
- IAs onboarding: 04 active states ready for on boarding – Maharashtra, Odisha, Haryana and Assam within six months of setting up of SPMU.
- Remaining states to be completed by 31.12.2017 in a phased manner depending on the readiness of states.
Objectives

To provide one stop window to citizens/corporates/other users for making online deposits of Non-Tax receipts
Salient Features

- Collection of receipts
  - Departments without any existing solution
    - User Interface
    - LOBA integration
  - Departments with existing solution
- Payment Aggregator (PGA) model
  - Credit Card/Debit Card/Internet Banking
- Complete Cycle: deposit to accounting
- Receipt purposes
  - Common across ministries
  - Unique to departments
NTRP Process Flow

Step 1: User Initiates Payment Activity
- Depositor initiates the payment activity.

Step 2: Request Parameters are sent to PGA
- PGA receives the request parameters.

Step 3: Response Parameters are sent to Bharatkosh
- Bharatkosh sends the response parameters to PGA.

Step 4: Depositor's bank is debited with the amount
- Depositor's bank debits the amount.

Step 5: PGA sends e-statement at EOD to SFTP Server
- PGA sends the e-statement to the SFTP server at EOD.

Step 6: PGA credits the amount to Accredited Bank
- Accredited Bank credits the amount to the depositor's account.

Step 7: Accredited Bank sends e-statement to PFMS SFTP server
- Accredited Bank sends the e-statement to the PFMS SFTP server.

Step 8: Accredited Bank sends settlement statement to RBI
- Accredited Bank sends the settlement statement to RBI.

Step 9: RBI sends Settlement scroll to PFMS SFTP server
- RBI sends the settlement scroll to the PFMS SFTP server.

Reserve Bank of India
NTRP STRENGTHs

- Digital India initiative; Demonetisation
- User convenience; Bank Neutral Remittance
- Transactional Transparency
- Faster remittance to Government Account
- Better Cash Forecasting
- Complete and Real time Accounting
- Enhanced and effective MIS for NTR
## Data table: 2014-15

<table>
<thead>
<tr>
<th>Non Tax Revenue Sources</th>
<th>FY 2014-15 (Rs in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Services</td>
<td>1,393.59</td>
</tr>
<tr>
<td>Interest Receipts</td>
<td>23,734.12</td>
</tr>
<tr>
<td>Dividends and Profits</td>
<td>89,860.70</td>
</tr>
<tr>
<td>General Services</td>
<td>13,625.26</td>
</tr>
<tr>
<td>Social Services</td>
<td>1,735.08</td>
</tr>
<tr>
<td>Economic Services</td>
<td>65,816.89</td>
</tr>
<tr>
<td><strong>Total Non-Tax Revenue</strong></td>
<td><strong>1,96,165.64</strong></td>
</tr>
</tbody>
</table>
Data Chart: 2014-15

NON TEX REVENUE RECEIPTS

- Fiscal services (1393cr)
- Interest Receipts (23734cr)
- Dividends and Profits (89860cr)

- General Services
- Social Services (1735cr)

- Dividend from Power PSUs (4574 Cr)
- Interest earned from Power PSUs (500 Cr)
- Power (1000 Cr)
- Civil Aviation (35 Cr)
- Telecommunication (30000 Cr)
## Data table: 2015-16

<table>
<thead>
<tr>
<th>Non Tax Revenue Sources</th>
<th>FY 2014-15 (Rs in crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Services</td>
<td>630.14</td>
</tr>
<tr>
<td>Interest Receipts</td>
<td>24757.78</td>
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<tr>
<td>Dividends and Profits</td>
<td>112050.89</td>
</tr>
<tr>
<td>General Services</td>
<td>14451.31</td>
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<tr>
<td>Social Services</td>
<td>4328.72</td>
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<tr>
<td>Economic Services</td>
<td>91191.90</td>
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<tr>
<td><strong>Total Non-Tax Revenue</strong></td>
<td><strong>2,50,774.23</strong></td>
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</tbody>
</table>
## Data table: 2016-17 (till October 16)

<table>
<thead>
<tr>
<th>Non Tax Revenue Sources</th>
<th>FY 2014-15 (Rs in crores)</th>
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</thead>
<tbody>
<tr>
<td>Fiscal Services</td>
<td>41.89</td>
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<tr>
<td>Interest Receipts</td>
<td>7581.18</td>
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<tr>
<td>Dividends and Profits</td>
<td>83224.68</td>
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<tr>
<td>General Services</td>
<td>10619.93</td>
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<tr>
<td>Social Services</td>
<td>3104.45</td>
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<tr>
<td>Economic Services</td>
<td>61708.77</td>
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<tr>
<td><strong>Total Non-Tax Revenue</strong></td>
<td><strong>1,67,972.63</strong></td>
</tr>
<tr>
<td><strong>B.E</strong></td>
<td><strong>3,22,921.10</strong></td>
</tr>
</tbody>
</table>
Data Chart: 2015-16

NON TAX REVENUE PORTAL

- Dividend (83425)
- Telecom (37030)
- Roads & Bridges (5174)
- Police (4569)
- I & P (2488)
- Posts (3625)
- Power (12396)
- Others (16525)
- Interest (30601)
- [CATEGORY NAME] (2488)
- [CATEGORY NAME] (3625)
- [CATEGORY NAME] (12396)
- [CATEGORY NAME] (4569)
- [CATEGORY NAME] (83425)
### Roll-out Status of Non-Tax Receipt Portal (NTRP) in Civil Ministries

**(Amount in Crore of Rupees)**

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Ministry / Departments</th>
<th>Status</th>
<th>Purpose of Receipts*</th>
<th>No of Transactions</th>
<th>Cumulative Total Receipts as on Date</th>
<th>Financial Year 2016-17</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Amount collected</td>
<td>No of Transactions</td>
</tr>
<tr>
<td>1</td>
<td>Ministry of Information &amp; Broadcasting</td>
<td>Live</td>
<td>6</td>
<td>16,424</td>
<td>0.70</td>
<td>14,806</td>
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<tr>
<td>2</td>
<td>Ministry of Power</td>
<td>Live</td>
<td>4</td>
<td>61</td>
<td>5,769.80</td>
<td>36</td>
</tr>
<tr>
<td>3</td>
<td>Department of Telecommunications</td>
<td>Live</td>
<td>6</td>
<td>427</td>
<td>1.02</td>
<td>385</td>
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<tr>
<td>4</td>
<td>DGHS (Ministry of Health)</td>
<td>Live</td>
<td>3</td>
<td>1,128</td>
<td>0.58</td>
<td>1,128</td>
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<tr>
<td>5</td>
<td>Department of Animal Husbandry (Ministry of Agriculture)</td>
<td>Live</td>
<td>2</td>
<td>691</td>
<td>0.02</td>
<td>691</td>
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<tr>
<td>6</td>
<td>DGCA(Min.of Civil Aviation &amp; Tourism)</td>
<td>Live</td>
<td>70</td>
<td>10,396</td>
<td>8.94</td>
<td>10,396</td>
</tr>
<tr>
<td>7</td>
<td>Ministry of Petroleum &amp; Natural Gas</td>
<td>Live</td>
<td>3</td>
<td>15</td>
<td>7,251.78</td>
<td>15</td>
</tr>
<tr>
<td>8</td>
<td>Ministry of Steel</td>
<td>Live</td>
<td>1</td>
<td>3</td>
<td>40.30</td>
<td>3</td>
</tr>
<tr>
<td>9</td>
<td>Ministry of Mines</td>
<td>Live</td>
<td>1</td>
<td>3</td>
<td>368.29</td>
<td>3</td>
</tr>
<tr>
<td>10</td>
<td>Ministry of Shipping</td>
<td>Live</td>
<td>1</td>
<td>3</td>
<td>132.84</td>
<td>3</td>
</tr>
<tr>
<td>11</td>
<td>Dept of Fertilisers</td>
<td>Live</td>
<td>1</td>
<td>4</td>
<td>113.91</td>
<td>4</td>
</tr>
<tr>
<td>12</td>
<td>Dept of Chemicals &amp; Petrochemicals</td>
<td>Live</td>
<td>1</td>
<td>1</td>
<td>1.20</td>
<td>1</td>
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<tr>
<td>13</td>
<td>Ministry of Commerce &amp; Textiles</td>
<td>Live</td>
<td>2</td>
<td>2</td>
<td>34.29</td>
<td>2</td>
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<tr>
<td>14</td>
<td>Ministry of Coal</td>
<td>Live</td>
<td>1</td>
<td>1</td>
<td>181.19</td>
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<tr>
<td>15</td>
<td>Department of Economic Affairs (Ministry of Finance)</td>
<td>Live</td>
<td>4</td>
<td>4</td>
<td>66,736.04</td>
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<tr>
<td>16</td>
<td>Ministry of Urban Development</td>
<td>Live</td>
<td>1</td>
<td>1</td>
<td>108.00</td>
<td>1</td>
</tr>
</tbody>
</table>

**Total**

107  29,164  80,748.90  27,478  77,572.62

*Note: * It means the number of different purposes under which non tax receipt has been received.
Challenges & Constraints

- Banking sector integration
  - Integration with Banks (myriad technologies used by different banks due to different stages of automation)
  - SLAs for banks for government transactions (rule books need to be modified)
    - Payment Protocols under development

- LOBA integrations: different levels of efficacy: DBT, NTRP

- Incomplete Solutions
  - NTR collection: accounting
  - Beneficiary data; Account Validation (MNREGS)

- Accountability of complete Ecosystem on PFMS

- Change Management
  - Pace of implementation and allocation of resources to PFMS
  - Integration and communication between stakeholders: ministries, treasuries, implementing agencies
  - Capacity Development of user stakeholders (citizen, corporates, government officials)
Way Ahead

- National Rollout: all states
  - Treasury Integration
  - Agency Registration; EAT
  - State Schemes

- NTRP complete coverage

- Annual Accounts

- Technology solutions
  - Wallets
  - Refunds
Thank You