

डॉ. चन्द्र शेखर कुमार, आई.ए.एस.  
अपर सचिव

**Dr. Chandra Shekhar Kumar, IAS**  
**ADDITIONAL SECRETARY**

Tel.: 011-23725301  
Email: [cs.kumar@nic.in](mailto:cs.kumar@nic.in)



पंचायती राज मंत्रालय  
भारत सरकार  
टावर-II, 9वां तल  
जीवन भारती बिल्डिंग,  
नई दिल्ली-110001

**MINISTRY OF PANCHAYATI RAJ**  
**GOVERNMENT OF INDIA**  
Tower-II, 9<sup>th</sup> Floor,  
Jeevan Bharati Building,  
New Delhi-110001

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

Dated: 7<sup>th</sup> January 2021

Dear *Madam/Sir,*

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) which facilitated real time payments to the service providers / vendors in the rural areas. Consequently, a work-based accounting system, e-Gram SWARAJ was launched by the Hon'ble Prime Minister on 24<sup>th</sup> 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. Towards this end, the Ministry now aims to capture the grants being received by the Panchayats apart from the expenditure data. This has become necessary since the receipt vouchers in eGramSwaraj are currently being booked manually by the operators at Panchayat level which are liable for erroneous entries and, therefore, resulting in huge discrepancies in the reports.

3. The fund flow of the grants involve State Treasury departments, as they are the dissemination points of the funds for the State. Currently the mode of disbursement to Panchayats varies across different States i.e. RTGS/NEFT/DDO etc. (details have been placed at **Annexure I**), it is requested that a standard procedure is followed across the States where all the fund flow till the last dissemination point for Central finance schemes are carried out through State treasury applications only.

4. It has been informed by Central PFMS team that the State treasury system is already integrated with PFMS application. It is therefore, requested to direct the concerned finance

department officials to facilitate data sharing by State treasury software with PFMS application to capture the fund flow of XV Finance Commission funds by **sharing fund flows through Unique Agency IDs captured by PFMS**. A Standard Operating Procedure (SoP) and design document has been prepared by NIC-MoPR and Central PFMS team and may be seen at **Annexure- II** and **Annexure -III** respectively. In order to provide the actual funds received by the Panchayats correctly in eGramSwaraj by means of a reverse MIS, mapping of these registered agency is proposed to be added in the State treasury portal. The integration once completed will ensure that the entire fund flow tracking mechanism to Panchayats will be automated. The State IT team responsible for maintaining the State treasury application may contact the Central PFMS team in case of any query.

It is requested to accord high priority to this issue.

*Resard*

Encl: As Above

Yours sincerely,

  
(Dr. Chandra Shekhar Kumar)

To,

Principal Secretary/Secretary  
State Panchayati Raj Department (All XV Finance Commission States)

Copy to:

1. Principal Secretary/Secretary  
Finance Department (All XV Finance Commission States)
2. Sh. Subodh Mathur  
Additional CGA, PFMS, New Delhi
3. Smt. Manie Khaneja  
DDG, NIC-MoPR, New Delhi

Annexure I



S. No.	State Name
1	Andhra Pradesh
2	Arunachal Pradesh
3	Assam
4	Bihar
5	Chhattisgarh
6	Goa
7	Gujarat
8	Haryana
9	Himachal Pradesh
10	Jharkhand
11	Karnataka
12	Kerala
13	Madhya Pradesh
14	Maharashtra
15	Manipur
16	Meghalaya
17	Mizoram
18	Nagaland
19	Odisha
20	Punjab
21	Rajasthan



<b>S. No.</b>	<b>State Name</b>
22	Sikkim
23	Tamil Nadu
24	Telangana
25	Tripura
26	Uttar Pradesh
27	Uttarakhand
28	West Bengal



**Draft SoP: Reverse pushing of Receipt details from PFMS to eGS based on the PFMS and Treasury Integration**

**A. Transfer of Central Finance Commission (CFC) Grant to State/Treasuries**

- Central Grant is transferred from Central Finance Department/Ministry to State Account linked with Treasury.

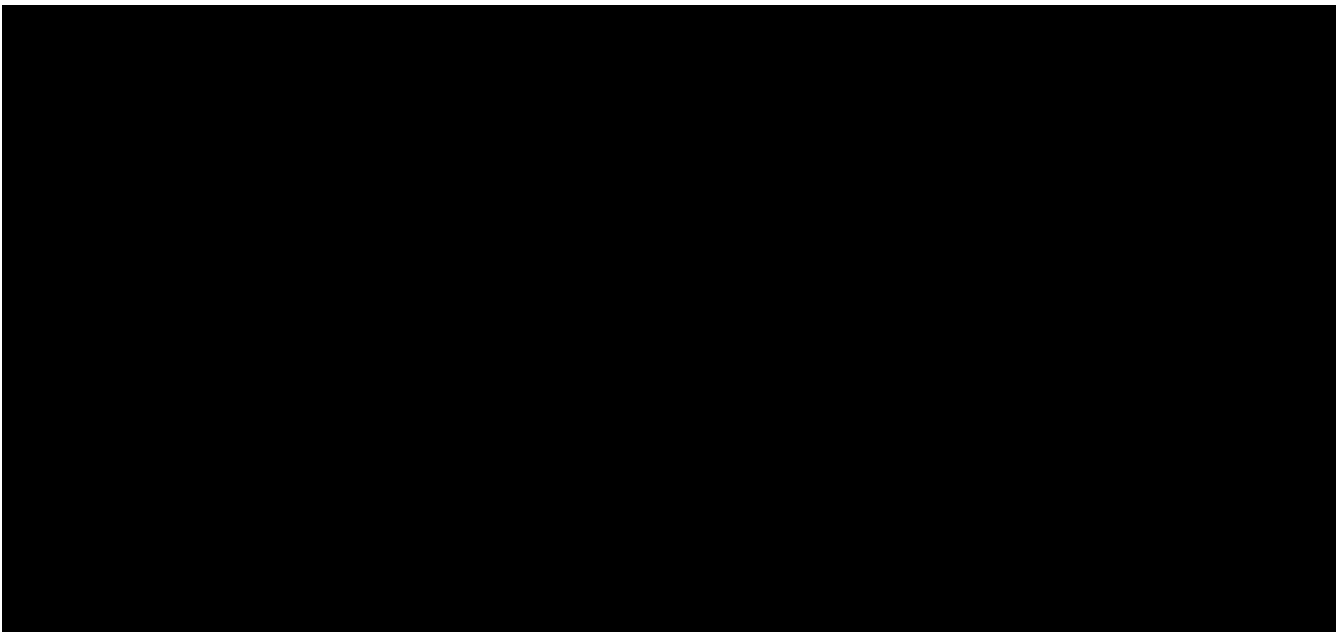
**B. Integration between PFMS and State Treasuries to enable correct transfer of grants/funds amount to Panchayats Account mapped with XVFC scheme in PFMS**

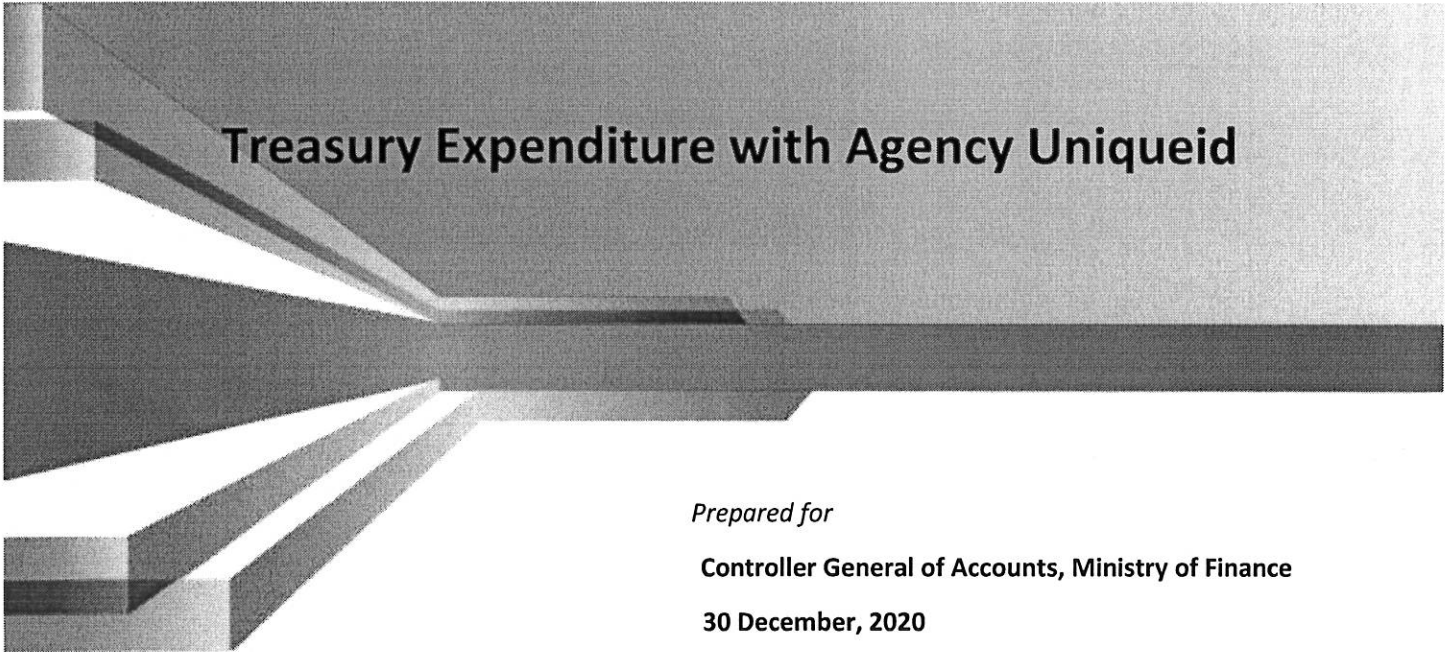
- Since all the PRIs (Panchayat Entities are already registered in PFMS portal as a unique Agency for a XVFC (under eGS-PFMS integration), so an interface will be developed between State Treasury and PFMS. State treasuries will have to map those registered agencies (Panchayats) from PFMS into treasury portal, as per the location master of all Panchayats existed in Treasury and PFMS.
- Once the mapping is done in treasury portal for registered agency (Panchayats), so whenever any new grant is to be transferred by State treasury to Panchayat, then same amount will be reflected in PFMS portal against the same registered unique agency code of Panchayat. (By mean of Webservice).
- Further by mean of Webservice PFMS portal will acknowledge with Treasury portal, the receipt of amount in respective registered agency (panchayat) account and will validate the authenticity of bank account. **Condition: Banks account details of Panchayat should be same in all three portal i.e. Treasury, PFMS and eGS)**

### C. Pushing/Sending of Receipt Information by PFMS to eGS.

- The PFMS portal will push/send to eGS portal (by mean of webservice), the successful and validated receipt information of respective Panchayat, as received from State treasury into mapped panchayat agency account. **Condition: The information will be received against the agency (Panchayat) which are already successfully ported as per the eGS-PFMS portal integration**
- eGS will acknowledge to PFMS, the success and failure of receipt information using webservice. Frequency of pushing can be decided once or twice a day for ported Panchayats.

### D. Booking of Receipt Voucher (automatically) in eGS





# Treasury Expenditure with Agency Uniqueid

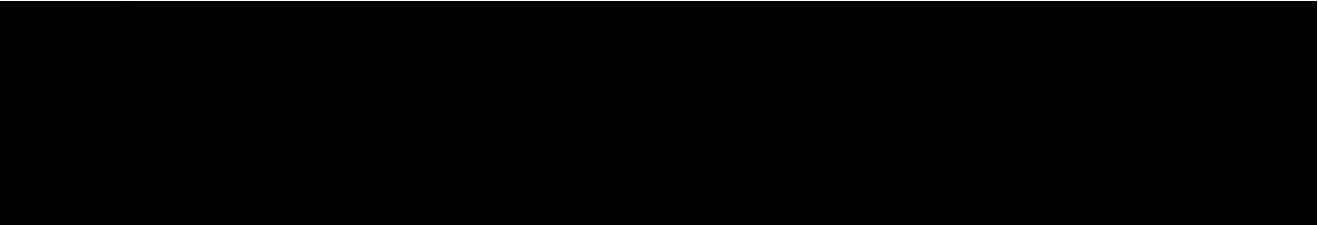
*Prepared for*

**Controller General of Accounts, Ministry of Finance**

**30 December, 2020**

**Version 1.0**

# Change Record



## Reviewers

Name	Version Approved	Position	Date

## Approvers

Name	Version Approved	Position	Date

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## 1. Introduction

Release of Basic and Performance Grants to State Governments for Rural Local Bodies (RLBs) are made by the Finance Commission Division, Ministry of Finance in consultation with Ministry of Panchayati Raj (MoPR). The fund so received by the State is further transferred to Gram Panchayats within the stipulated time as prescribed in the sanction. Monitoring the utilization of Finance Commission awards to Gram Panchayats is one of the mandates of MoPR.

The purpose of this document is to facilitate capturing details of the release of Finance Commission awards from State Treasuries to the RLBs through the PFMS - State Treasuries interface, which is already implemented in all States and Union Territories with legislature. As the RLBs are already registered on PFMS as Implementing Agencies with unique PFMS code assigned to each RLB, the State Treasuries will be required to provide the agencies' unique PFMS agency code along with other details mentioned in the document. The changes to be carried out in the expenditure files [ please refer to PFMS-State Treasuries Design document] being shared by the States with PFMS along with detailed description is given.

2. Changes in Expenditure XML format.

