

F. No. 1(18)/PFMS/2021
Government of India
Ministry of Finance
Department of Expenditure

North Block,
New Delhi, 25th July, 2022

CORRIGENDUM

Subject: Revised procedure for flow of funds under Central Sector Schemes – modification in the exempted categories

In partial modification of this Department's OM of even number dated 9th March, 2022, with the approval of the Competent Authority, the undersigned is directed to convey that Para 7 of the said OM may be read as

“The following categories of fund releases by a Ministry/Department in a Central Sector Scheme will be exempted from following these guidelines and may continue in existing mode:

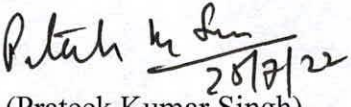
- (i) Fund released by Ministries/Departments in Direct Benefit Transfer (DBT) mode or reimbursement mode.
- (ii) Fund releases involving payment of equity share or extension of loan by the Government to a company.
- (iii) Fund releases where 100% payments are made by the Ministry/Department directly to the vendors/beneficiaries against the bills/claims raised by the vendors/beneficiaries.
- (iv) Fund releases by the Ministry/Department directly to multiple Implementing Agencies (IAs) where amount transferred to any agency does not exceed Rs. 10 lakhs per annum.
- (v) Fund releases in which funds are transferred to the Indian Missions abroad for implementation of the scheme.
- (vi) Fund releases for a corpus/revolving fund approved by the Cabinet.
- (vii) Fund releases based on authorization where expenditure is incurred on real time basis with no float. However, in such cases Ministry/Department shall avoid the mode of transfer of funds through Civil Deposit and the option of Letter of Authorization should be adopted.”

Instead of

“The following categories of Central Sector Schemes will be exempted from following these guidelines and may continue in existing mode:

- (i) Central Sector Schemes being implemented by Ministries/Departments in Direct Benefit Transfer (DBT) mode or reimbursement mode.
- (ii) Central Sector Schemes involving payment of equity share or extension of loan by the Government to a company.

- (iii) Central Sector Schemes where 100% payments are made by the Ministry/Department directly to the vendors/beneficiaries against the bills/claims raised by the vendors/beneficiaries.
- (iv) Central Sector Schemes where funds are transferred by the Ministry/Department directly to multiple Implementing Agencies (IAs) and amount transferred to any agency does not exceed Rs. 10 lakhs per annum.
- (v) Central Sector Schemes in which funds are transferred to the Indian Missions abroad for implementation of the scheme.
- (vi) Central Sector Schemes being implemented exclusively from a corpus/revolving fund approved by the Cabinet.
- (vii) Central Sector Schemes where expenditure is based on authorization and is incurred on real time basis with no float. However, in such cases Ministry/Department shall avoid the mode of transfer of funds through Civil Deposit and the option of Letter of Authorization should be adopted.”


(Prateek Kumar Singh)
Director
Tel. No. 2304961

To

1. Secretaries of all Ministries/Departments of Government of India
2. Chief General Manager, Reserve Bank of India, Department of Government and Bank Accounts
3. Controller General of Accounts, Department of Expenditure, INA, New Delhi
4. Financial Advisers of all Ministries/Departments of Government of India
5. Additional CGA (PFMS), O/o CGA with the request to take immediate steps for carrying out the necessary change in PFMS and designing requisite reports.
6. Additional CGA (GBA), O/o CGA with the request to take necessary steps to implement model 1 of the Guidelines.
7. All Principal CCAs/CCAs of Ministries/Departments

Copy to

1. Chief Secretaries of all State/Union Territories
2. Principal Secretary Finance of all States/Union Territories

Copy for information:

1. PSO to Secretary (Expenditure)
2. PSO to Special Secretary (Pers.)
3. Sr. PPS to AS (PFC-II)
4. Sr. PPS to AS (PF-S)