Program Fiduciary Management Manual

(Procurement and Financial Management)

October, 2022 (version 2)

Atal Bhujal Yojana (Atal Jal)

Government of India

Ministry of Jal Shakti

Department of Water Resources, River Development & Ganga Rejuvenation,

सत्यमेव जयते

ATAL BHUJAL YOJANA

Program Fiduciary Management Manual (Procurement and Financial Management aspects)
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CHAPTER   1

FIDUCIARY FRAMEWORK

Brief Summary:

1. The financial and procurement management arrangements for implementing Atal Bhujal Yojna (Atal Jal) have been designed around use of country systems and amendments as issued from time to time by Government of India and/or State governments. The objective of this manual is to support Program management in :

➢ Meeting the financial reporting requirements of various stakeholders,
➢ Supporting accountability and transparency at various levels.
➢ Highlighting key fiduciary aspects and performance indicators for monitoring progress
➢ Ensuring consistency and compliance in procurement processes and procedures.
➢ Ensuring transparency, economy and efficiency in procurement decisions.

2. The National Program Management Unit (NPMU) established in the Department of Water Resources, River Development & Ganga Rejuvenation (DoWR, RD&GR), Ministry of Jal Shakti shall be responsible for the overall management and implementation of Atal Jal. A National Level Inter-Departmental Steering Committee (NISC) has been established vide File no T-40012/2/2018-GW, dated 17/04/2020 (Annexure-1) for providing oversight and guidance to the Program. The detailed roles and responsibilities of the NISC is given in the reference cited above. The NPMU will be responsible for overall Procurement oversight and financial management arrangements of the schemeat the national level whereas the State Program Management Units (SPMUs) in the State departmentsshall be responsible for implementation of the scheme including procurements and financial management in the States. The overall implementation of the Scheme shall be governed under the provision in the Memorandum of Agreement (MoAs) signed between DoWR, RD & GR and each participating State Government.

3. The states shall implement Atal Jal from FY 2020-21 to 2024-25 with an overall cost of Rs.6000 crore, as a Central Sector Scheme as issued under G.O. T-40012/1/2018-GW Section (pt.2) dated 09.01.2020. The Scheme is co-funded by the proceeds from loan of Rs. 3,000 crores financed by the World Bank, to be repaid by the Government of India. The remaining fifty percent, i.e. Rs. 3,000 croreswould be Central Assistance from the budgetary support. The financing arrangements between Government of India and the World Bank are as follows:

(Rs. in Crore)

S.No.	Component	Outlay		Total
		Government of India	World Bank	
1.	Institutional Strengthening & Capacity Building	1400.00	-	1400.00
2.	Incentive	1600.00	3000.00	4600.00
	Total	**3000.00**	**3000.00**	**6000.00**

4. The approved allocations from the Government of India to the participating States shall be passed on as Grants-in-aid for effective implementation of Atal Bhujal Yojana. DoWR, RD&GR will release funds to the State Implementing Agencies against agreed and approved annual work plans, through direct transfer into the dedicated Bank accounts/ Central Nodal Account (CNA) opened by the Implementing Agencies/Central Nodal Agency.

Purpose of the Program Fiduciary Manual:

5. The purpose of this Fiduciary manual is to provide guidance about financial management and procurement processes and procedures applicable for ATAL JAL. The objective is to establish an open,transparent and competitive procurement system to bring out efficiency, economy and a fair opportunity for participation by all potential contractors, suppliers and consultants. It provides comprehensive fiduciary guidelines to all implementing agencies including selected line departments or agencies at state or below level who are responsible for handling funds and /or carrying out procurement activities meant for ATAL JAL. In addition to the agreed Financial management arrangements, it defines the main features of sound procurement as - buying Goods, Works ,consulting and non-consulting Services with due consideration for value for money (economy, effectiveness and efficiency) and without regard to non-economic factors, in order to obtain the best value for money spent. The Manual will ensure that the procurement process is in compliance, documentation, is complete, uniform, and systematic and will help avoid procurement delays. The quality of procurement will help in expeditious action and will vastly improve and help avoid non compliances and recurrent objections in the audit reports.

6. Each State has its own procurement and financial management procedures which are spread over large number of orders issued from time to time. Hence to avoid multiplicity of rules and procedures and to ensure compliance and consistency, DoWR RD&GR shall ensure that each SPMU uploads their State specific fiduciary manual for wider access by all IAs for all activities to be carried out under ATAL JAL. The state Fiduciary manuals shall contain relevant and applicable financial management and procurement guidelines and policies; legal, regulatory and procedural controls; bidding and contract documents; reporting and record keeping requirements including delegations and purchase decision making authorities. In the absence of any provisions or documents at the Statelevel, the program shall be executed in accordance with the central level manual developed by DoWRRD&GR. State fiduciary Manual shall be approved by the respective Project Coordinators for use underAtal Jal by all implementing agencies at all levels.

7. The State Fiduciary Manual will be a comprehensive handbook of applicable procurement processes and procedures for Works, Goods, Consultancy and non-consultancy services of the State Government. The Manual shall include delegation of powers in regard to technical and financial sanctions; provide guidance on various steps involved in the procurement process, the documentation required, preparation of the bid documents and bid evaluation report, contract award and contract management. It will provide guidance on applicable standard Bid documents; use of model formats for evaluation reports and contracts; formats for submitting various reports to be compiled, maintained; guidance on internal controls required to maintain transparency and adequate review procedures and risk mitigation measures.

8. The State fiduciary manuals will document the applicable financial management procedures followed in the state including the delegation of financial powers. This Manual will provide the various steps involved in use of PFMS (https://ataljal.mowr.gov.in), as Operational Guidelines, for accounting for the Program expenditures at various levels of implementation, the internal control framework, including the terms of reference for the internal audit. It will detail the timelines for preparation of annual accounts, and steps involved in submission of the external audit reports, among other important FM related matters.

9. **Applicability of Anti-Corruption Guidelines of the World Bank:** In accordance with the Program's legal documents, the Program is formally committed to the obligations under the Anti-Corruption Guidelines for PforR operations,[1] which shall cover all Program expenditures.

10. Any amendment to this National Fiduciary manual shall be based on prior agreement with theWorld Bank, before issue of the same.

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[1] The World Bank Guidelines on Preventing and Combating Fraud and Corruption in Program-for-Results Financing (dated February 1, 2012, and revised July 10, 2015).

Overall Framework

11. The application of the guidelines and processes in this manual shall be in addition to those agreed in the Memorandum of Agreement (MoAs) signed between the participating states and DoWRRD&GR, for implementation of Atal Bhujal Yojana (Atal Jal) scheme.

12. Both at the Central (NPMU) and State level departments, fiduciary arrangements will follow the government systems applicable for Central Sector Schemes. The guiding document for all such arrangements at the Central level shall be the General Financial Rules (GFR) and at the State level, their respective Budget Manuals, Treasury Code/Rules, Financial Rules and Procurement rules.

13. At the State level, where a **state department is the Program Implementing Agencies** (PIA), it will establish a **State Program Management Unit (SPMU)** which shall follow prevalent fiduciary arrangements applicable for Central Sector Schemes and other relevant GFRs and amendments thereof issued from time to time will be adopted for implementation of the Scheme. As per revised procedure for flow of funds under Centre Sector under Atal Bhujal Yojana, the **State department (PIA)/ State Program Management Unit (SPMU) are to be designated as Central Nodal Agency (CNA) effective from 1ˢᵗ April 2022. In this document, reference to SPMU would be deemed to be reference to CNA. A**tal Bhujal Yojana (Code 3282)**,** a Central Sector Scheme marked as CNA on 07.10.2022 in PFMS.

14. **District Program Management Units (DPMUs**) established by the PIAs - shall also follow the same fiduciary framework adopted by the SPMU, as elaborated in their respective State Fiduciary Manuals.

15. **The District Program Management Units (DPMUs)** created under Atal Bhujal Yojana & the Line Departments to which the incentive funds are to be disbursed are to be designated as the Sub-Agency under the CNA as per the revised guideline for Central Sector Scheme.

16. **Gram Panchayats (GP)** will follow the Financial Management (FM) framework defined in the Panchayati Raj Act and various rules made thereunder specific to each state except that transactions under the Scheme will be recorded in a separate Atal Jal cashbook. This, together with the statement of the bank account, will provide the details of the scheme expenditures. Procurement will be carried out consistently as per the specified threshold and procedures confirmed by respective SPMU. In states where GPs use the EAT module of PFMS, they can continue to follow that system and use the books/reports generated from the PFMS for reporting expenditure etc.

17. Details of the fiduciary aspects i.e. Finance and Procurement are covered in the following chapters.

CHAPTER 2

FINANCIAL MANAGEMENT ASPECTS

Financial Planning & Budgeting:

National Level

1. The Expenditure Finance Committee (EFC) outlines that the Atal Bhujal Yojana would be a Central Sector Scheme and would be 100 percent financed by the Government of India. A dedicated budget line for the Scheme has been created at the Centre. The Scheme fund requirements at the Centre will be budgeted each year on the basis of an Annual Work Plan (AWP). These funds would betransferred to the SPMUs as Grant in Aid (GIA) to their dedicated bank accounts (Central Nodal Account) for Atal Jal Scheme. Funds for the Institutional Strengthening and capacity Building Component as well as funds for Incentive Component would be released in tranches based on theAWP, milestones achieved and performance of the agencies in conformity with the revised procedure for flow of funds. The above arrangements are also outlined in the Program Guidelines.

2. The program will be funded by the Government of India. Program Fund requirements comprising of World Bank's share and GoI's counterpart funding will be reflected in the Union Budgetin Demand for Grants of the DoWR, RD&GR, MoJS under Program-specific budget heads EAP component Program component and expenditure shall follow national practices.

3. The annual budgets will be prepared for funds to be disbursed to the participating states based on the extent of achievement of DLIs, budget requirements indicated in the AWP/ProcurementPlans, and expenditure requirements of the NPMU for the succeeding fiscal year. Disbursements under the Incentive component will be passed on to the SPMUs based on their achievement against each DLI verified by the Third Party Government Verification Agency, submission of utilization certificate / audited account of previous grant and also availability of funds within BE/RE ceiling at thatparticular point of time .

4. The DoWR, RD&GR shall open a separate account head in the PFMS for direct transfer of funds to the SPMUs.

5. The NPMU will establish the PFMS accounting systems for States as CNA and sub Agency for DPMU and Line department/other implementing agencies with necessary authorized data entry maker, checker, approver etc. at each level to ensure that all expenditures under the Atal Jal is maintained in the PFMS. Sub budget heads have been opened for each state for both the components under the Program viz Program Component financed by DoWR RD &GR, and Externally Aided Program (EAP) component. Please refer to the web link provided for PFMS in www.ataljal.mowr.gov.in for guidance on use of PFMS accounting heads for booking expenditures and the PFMS Operational Guidelines. The chart of accounts established for the PFMS is also provided in these guidelines. The Login user ids and passwords for each state has been generated and has been directly shared by the PFMS to the respective Program Directors in the states. Internal audits will alsobe conducted to ensure prudent monitoring of actual expenditures against agreed work plans and decision-making processes by the NPMU, SPMUs, DPMUs and other such agencies authorized by the NPMU/SPMU from time to time.

State Level:

6.   The following 7 State Government Organisations being the SPMU of the Implementing Agencies under Atal Bhujal Yojana are designated as Central Nodal Agency (CNA) under the Central Sector Scheme "Atal Bhujal Yojana (Atal Jal)". As per revised fund flow guidelines for Central Sector Schemes.

S. No.	Agency/State	Central Nodal Agency (CNA)
1	Gujarat	State Program Management Unit, Atal Bhujal Yojana, Gujarat Water Resources Development Corporation, Narmada Water Resources, Water Supply and Kalpsar Department, State Government of Gujarat.
2	Haryana	State Program Management Unit, Atal Bhujal Yojana, Irrigation & Water Resources Department, Government of Haryana.,
3	Karnataka	State Program Management Unit, Atal Bhujal Yojana, Minor Irrigation & Ground Water Development Department, Government of Karnataka.
4	Madhya Pradesh	State Program Management Unit, Atal Bhujal Yojana, Groundwater Survey Circle, Water Resources Department, Government of Madhya Pradesh.
5	Maharashtra	State Program Management Unit, Atal Bhujal Yojana, Groundwater Surveys and Development Agency, Government of Maharashtra.
6	Rajasthan	State Program Management Unit, Atal Bhujal Yojana, Ground Water Department, Government of Rajasthan.
7	Uttar Pradesh	State Program Management Unit, Atal Bhujal Yojana, Ground Water Directorate, Govt. of Uttar Pradesh.

District Program Management Units (DPMUs) & respective State Government Line Departments, below the level of CNAare designated as the Sub-Agency under the Central Sector Scheme "Atal Bhujal Yojana (Atal Jal)".

7.   Program Implementing Agency (PIA)[2] at the state level (represented by the respective SPMU/CNA)has prepared a 5-year Project Implementation Plan (PIP), and an Annual Work Plan (AWP) for the Scheme every year. These plans will be appraised and approved by the respective state government and DoWR, RD&GR. The NPMU will consolidate the annual work plans submitted by the SPMUs and that of NPMU and submit the same to be a part of the DoWR RD&GR's annual budget under the relevant budget head. The Secretary (DoWR, RD&GR), shall approve the consolidated work plans.

8.   Annual budgets shall be derived from the cost in AWPs prepared by the SPMUs for implementation of the Scheme based on the achievements in the preceding year and fund requirements for the successive fiscal year. The approved AWPs will be uploaded in the ManagementInformation System (MIS) established for the program for public dissemination and monitoring by NPMU.

Objectives of the budgeting system:

9.   The main objective of an efficient budgeting system is to facilitate timely approval of the annual work plan, release of resources from DoWR, RD&GR and budgetary control i.e. monitoring of performance at regular intervals and fixing accountability for variances.

Budget Process:

10.   The budgeting shall be carried out at the Central and State Implementing

Agencies, hencefortcalled the NPMU and SPMUs respectively.

Budget calendar:

11.   The milestones in the budgeting process are laid down in the following budget calendar.

S.No.	Activity	Agency responsible	Timeline
1	Preparation of AWP for the successive year.	SPMU and NPMU	By 31st December each year
2	Preparation of Annual Procurement Plan (APP)	SPMU and NPMU	By 31st December each year
3	Preparation of annual budget demand (taking into consideration of the current year's progress)	SPMU and NPMU	By 15th September each year
4	Submission of AWP, APP and to the NPMU	By each SPMU	By 15th January each year
5	Consolidation of all the AWP APP based on review of the demands submitted	NPMU	By 31th January each year

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[2] Respective state department or its authorized agencies/ Special Purpose Vehicle (SPV)

Fund Flow Arrangements:

12.   Department of Expenditure, M/o Finance has issued a Revised procedure for flow of funds under Central Sector Schemes vide OM dated 9th March, 2022.(Copy enclosed Annexure 4)

13.   With reference to the OM dated 9th March, 2022 the Atal Bhujal Yojana has been mapped under **Model-2, as in case of Central Sector Schemes** having (a) annual outlay of less than Rs. 500 crores or (b) the schemes are being implemented by agencies of the State Governments exclusively or in addition to the central agencies or (c) other schemes not covered in Model-1.

14.   **National level:** The NPMU will follow the prevalent financial management systems of DoWR,RD&GR. No separate bank account needs to be opened by the NPMU. Fund flow for national-level expenses incurred by the DoWR, RD & GR through the NPMU would be facilitated by the Pay and Accounts Office from the Program-specific budget head in accordance with GoI procedures.

15.   **Fund flow to the NPMU and States**: DoWR, RD&GR will release funds to SPMUs against approved AWP/Budgets. Funds to the participating States for the Institutional Strengthening and Capacity Building Component and Incentive Fund would be released in tranches, through direct transfers into the dedicated bank accounts (Central Nodal Account) of the SPMUs through PFMS based on the report of the Third-Party Government Verification Agency (in case of Incentive Fund) and availability of funds under the relevant Budget Head.

DoWR shall release the funds to the CNAs as far as possible in 'Just-In-Time' manner keeping the float in CNAs' account to the minimum possible. Each disbursement /transfer

of funds by the DoWR to the SPMUs shall not exceed 25% of the approved AWP for the respective state in each financial year. Additional funds (not more than 25% at a time) will be released only upon utilization of at least 75% of the funds released earlier and in compliance with the conditions of previous sanction. However, there is no limit in the number of fund transfers as the same is subjected to utilization of funds transferred in the preceding disbursements by NPMU to the respective SPMU.

16. **Fund Flow Chart**
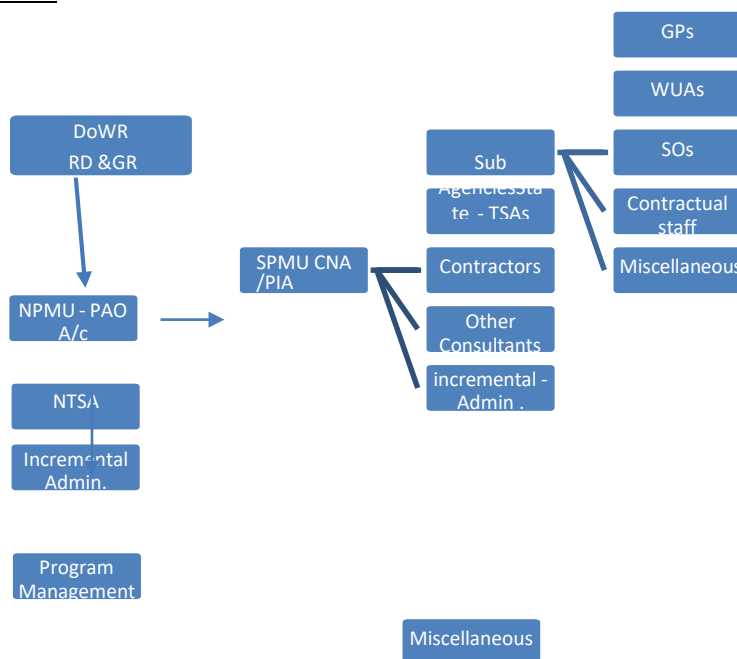
Bank accounts:

17.   The Scheme fund will be routed to the dedicated bank account of the SPMUs I,e CNA (Central Nodal Account) opened in a scheduled commercial bank authorized to conduct Government business by the Ministry / Department concerned. The Sub Agencies (SAs) will use the CNA's accounts with clearly defined drawing limits set for that account. However, depending upon operational requirements, zero balance subsidiary accounts for each scheme shall be opened by the SAs. No physical fund transfer is allowed to lower level agencies. They will be assigned drawing limits by their parent agency.Existing Bank account may be converted into CNA account or if new CNA account will be opened than unspent amount lying in existing bank account of SPMU may be transferred to CNA account.

18.   Separate bank account (Holding account-non-interest bearing account) shall be opened by the CNA and SAs in the same commercial bank in which the CNA account is held to facilitate tax/statutory deductions.

19.   NPMU shall facilitate registration and opening of PFMS accounts for SPMUs (CNA) and SA accounts in each state upon submission of details of ATAL JAL bank accounts, to allow the DoWR, RD & GR/NPMU and the SPMUs to track and monitor the flow and utilization status of thefunds released under the scheme. The NPMU and SPMUs will only use the payment gateway of the PFMS for transfer of all funds to the DPMUs/vendors/ and other agencies implementing the approved Atal Jal activities. The expenditure will follow existing practices as detailed in the respective State GFRsand subsequent amendments thereof, if any. States shall designate officers in their respective SPMUs,preferably the Project Director (Head of SPMU) and Accounts Officer

and other authorized officers at SPMU level and DPMU levels to operate their PFMS and respective bank accounts.

20.   NPMU / Department will register the CNAs on PFMS and use the unique (existing) PFMS ID assigned to the CNA for making all payments to them. Bank accounts of the CNAs, SAs, vendors and other organisations receiving funds will also be mapped in PFMS.

21.   CNAs and SAs shall mandatorily use the EAT module of PFMS or integrate their systems with the PFMS to ensure that information on PFMS is updated by each SA at the end of day. (PFMS user Manual enclosed at Annexure 5)

22.   CNAs will keep all the funds received in the Central Nodal Account only and shall not transfer the funds to any other account or not divert the same to Fixed Deposits, Flexi-Account, Multi-Option Deposit Account, Corporate Liquid Term Deposit (CLTD) accounts or any other such accounts and or park the funds in the bank account of any other agency/establishment.

23.   Beneficiary GPs will follow the Financial Management framework defined in the Panchayati Raj Act and various rules made thereunder specific to each state and maintain a separate dedicated Program Bank Account and a Program Cashbook for ATAL JAL. Appropriate procurement framework for GP level activities and the Program FM arrangements at the GPs will be specified by each State and documented in the respective State Fiduciary Manual. The SPMUs shall transfer Incentive grants to designated Bank account of the GPs based on their achievement of DLIs, while funding for activities under taken in Program Component will be paid directly by DPMU. [3]

Release of funds to the states:

24.   The releases of Scheme funds under the Investment component by NPMU to the states in tranches and shall be based on the following conditions:

Tranche	Period	Conditions of release
First (up to 25% of the AWP)	**April-May**	• Approval and submission of the Annual Work Plan cum Budget & Annual Procurement Plan; • On fulfilling condition(s) imposed at the time of release of previous tranche. • Submission of UCs for the funds released in the preceding tranche. • Each fund transfer by NPMU will be strictly limited to a maximum of 25% of the Annual budget allocated to the SPMUs but subjected to submission of utilization of at least 75% of the funds disbursed in the preceding transfer. • Should any state fall short of utilization of 75% of the funds from the preceding transfer, subsequent replenishments will be appropriately proportioned to comply with the revised advisory of Government of India.

Subsequent Tranches (Balance of AWP)	– November	Fund transfers to SPMUs in the subsequent tranches shall be subjected to compliance of the following in addition to those described in the para above : • <mark>UC certificates for the preceding tranches,</mark> • Annual audited financial statements of the Program for thepreceding FY • Utilization Certificates furnished along with Non-diversion of fund certificate as given in GFR . • Achievements with reference to approved AWP /Annual Action Plan. • Compliance with any other terms and conditions asstipulated at the time of previous release • Physical and financial progress reporting in thePFMS by the respective SPMUs for the preceding quarters.

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[3] *GPs familiar with the PFMS can maintain their cashbook in the PFMS with necessary approvals from their respective SPMUs*

25.   Due consideration will be accorded to committed liabilities/priorities and in exceptional circumstances, the additional allocations of funds to States may be considered in each yearsubject to availability of uncommitted/unutilized funds.

26.   Release of Central Assistance (for both the components viz. (a) Institutional Strengthening & Capacity Building and (b) Incentive grants) would be considered after examining the recommendationsof Third-Party Government Verification Agency (TPGVA) in respect of achievement of DLIs in the preceding year.

27.   The disbursements under the Incentive components is subject to achievement of DLIs by eachstate and verified by TPGVA each year. The tentative allocations for each state against the DLIs are inthe table below

Table: Tentative DLI Allocations across the States

DLI	Tentative Allocation (Rs.cr)							
	GUJ	HAR	KAR	M.P.	MAH	RAJ	U.P.	Total
DLI#1: Public disclosure of ground water data/ information and reports	54.01	45.94	100.83	21.28	73.83	102.94	61.17	**460**
DLI#2: Preparation of Community-led Water Security Plans	81.02	68.92	151.23	31.93	110.74	154.40	91.76	**690**
DLI#3: Public financing of approved Water Security Plans through convergence of ongoing/ new schemes	108.03	91.89	201.65	42.57	147.64	205.88	122.34	**920**

DLI	Tentative Allocation (Rs.cr)							
	GUJ	HAR	KAR	M.P.	MAH	RAJ	U.P.	Total
DLI#4: Adoption of practices for efficient water use	216.05	183.77	403.30	85.14	295.30	411.75	244.69	**1840**
DLI#5: Improvement in the rate of decline of ground water levels	80.00	80.00	150.00	30.00	110.00	150.00	90.00	**690**
Total	39.11	470.52	1007.01	210.92	737.51	1024.97	609.96	**4600**

28.   If reimbursement is sought by the States for expenditure incurred using their own state funds either under the Investment component and or also those released as incentives upon achievement of Disbursement linked Indicators (DLIs) under the Incentive Component reimbursements will be effected subjected to compliance of the following: -

* Actual expenditure should be for the activities approved by the DoWR under Atal Bhujal Yojana.
* The state scheme/allocation from which funds were drawn for Atal Jal activities should be entered in the PFMS and request for reimbursement to NPMU must be submitted with the audited Statement of Expenditure to support the requests in conformity to the relevant provisions in the their GFR, through the PFMS to enable credit of funds to the state.
* Reimbursements by DoWR may be in the same financial year as far as possible.
* Expenditure of funds received under incentive component has been utilized for eligible activities approved under Atal Jal only (as detailed in the chart of accounts in the PFMS operational guidelines).
* Any expenditure for items listed in the negative list in the Program Guidelines (already shared vide e-mail dated 05.05.2020) will be considered ineligible and adjusted appropriately in the subsequent release of funds to the respective states.

29.   Incentive funds will be disbursed each year to the SPMUs and shall be based on the findings and reports of TPGVA,. A Government Order will be issued by the DoWR, RD&GR to the respective state detailing the incentive award for achievement of each DLI by the participating states. The States will in turn release supporting orders detailing amounts awarded to line departments, districts and gram panchayats

30.   A formal request for disbursement of funds against each DLI will be submitted to the World Bank with copy to Ministry of Finance, along with the final TPGVA report as evidence to support the claim.

31.   All funds under the Scheme will be fully mapped in real-time through the PFMS to ensure just-in-time release of funds. All receipts and withdrawals from the bank accounts and unutilized balances will be available for viewing by the DPMUs, SPMUs and NPMU.

32.   CNAs shall ensure that the interest earned from the funds released is mandatorily remitted to the Consolidated Fund of India in terms of Rule 230(8) of GPR, 2017. The interest component shall be distinctly reflected in the MIS provided by the banks

Banking Arrangements:

33.   ***Opening of dedicated Bank A/c / Central Nodal Account by SPMUs****:* Each SPMU will maintain a dedicated scheme specific Bank A/c (CNA) in a Schedule Commercial Bank for Atal Jal and notify the same to NPMU, DoWR, RD&GR. The transfer of funds from DoWR, RD&GR to each SPMU will be through PFMS to this account. The bank account maintained by the SPMUs shall adhere to the following conditions:

a)   Open Account with a Scheduled Commercial Bank (SCB) authorized to do Government business, for each scheme under which it receives grant

b)   There would be only one account for the program per SPMU/CNA;

c)   The SAs will use the CNA's accounts with clearly defined drawing limits set for that account However, depending upon operational requirements, zero balance subsidiary accounts for each scheme may also be opened by the SAs

d)   All zero balance subsidiary accounts will have allocated drawing limits to be decided by the CNA concerned from time to time and will draw on real time basis from the Central Nodal Account of the scheme as and when payments are to be made to beneficiaries, vendors etc. The available drawing limit will get reduced by the extent of utilization.

e)   CNA account and all zero balance subsidiary accounts should be maintained with the same bank.

f)   Only banks having a robust IT system and adequate branch network should be chosen for opening Central Nodal Account and the zero balance accounts ofSAs of each Central Sector Scheme. The bank chosen should have the facility to open the required number of subsidiary zero balance accounts and a robust MIS for handling accounting and reconciliation at each level. The bank should also provide necessary reports and a user-friendly dashboard to officers at various levels to monitor utilization of funds by SAs

g)   The accounting bank's software system should be able to monitor the drawing limits of the SAs to monitor and report funds drawn by SAs on real time basis from the CNA's account, as and when payments are effected. The selected bank should ensure proper training and capacity building of branch managers and other staff for smooth operation of these accounts.

h)   The bank account should be savings account and the interest accrued shall be reflected in the utilization certificate and Bank reconciliation statements submitted. The interest would be deposited in Consolidated Fund of India

i)   The bank account should be operated by the designated officer with minimum two signatories and or as directed/approved by the state finance department;

j)   The accounting centers in each state shall be limited to SPMU and DPMU/ Sub agency levels only which includes participating GPs receiving incentive funds from the Program.

k)   Payments may be centralized at the state level and or at SPMU and DPMU/Sub Agency levels. Payments outside these centres will be subject to approval of DoWR, RD&GR.

l)   All payments under the Program at NPMU, SPMU and DPMU levels will be executed digitally through the PFMS only.

m)   All bills need to be passed and submitted to the respective SPMU and its DPMU (as the case may be) for payments through the bank accounts of concerned agencies using PFMS.

n)   For works executed by the district divisions/circles and or at the state level of any line department in the state, bills and all documents related to procurement will be submitted to the respective DPMU and or SPMU (as applicable) for release of payment through PFMS.

o)   Gram Panchayats will receive incentive funds from SPMU based on the completion of activities assigned to them, by the DPMUs and or SPMUs, and accomplishment of DLIs verified annually by TPGVA, as applicable. The expenditure statements for the funds

received will be submitted to DPMU for verification on a quarterly basis (or through PFMS as applicable), while the annual audit report of the Local Fund Audit will be submitted to SPMU by October 31 of each calendar year.

p) SPMUs shall submit UCs to NPMUs after utilization of the funds that were transferred from the Central Nodal Account

34. SPMUs shall ensure that the Program specific dedicated bank accounts are reconciled at least on a half-yearly basis.

Accounting Policies, Procedures and Systems:

35. **National Level- NPMU**: Expenditures under Atal Jal will be subjected to controls as per General Financial Rules (GFR) of the Government of India. The funds released or expended by the DoWR, RD & GR will be accounted for as per current practices of accounting in the GoI, following theprocedures and guidelines as applicable from time to time, for all Ministries, under the advice and oversight of the Financial Advisor and Controller of Accounts. NPMU will be responsible for maintaining account of expenditure incurred by the Program and by the NPMU, following the norms under GFR . The NPMU will consolidate the Program financial statements drawn from the PFMS, and submit the same annually for audit to the Comptroller and Auditor General of India (CAG).

36. All fund releases (Grant-in-Aid) to States based on approved state Annual Work Plans (AWPs) will be recorded as expenditure in accordance with existing GoI rules. The releases to the SPMUs being "on account", will be subject to adjustment, including any recoveries on account of Audit observation and disallowances. For the purpose of the Scheme, however, NPMU will keep track of actual expenditures reported in the PFMS against the grants given to the States, and those provided as advances to vendors/contractors/ service providers (as applicable) by NPMU and SPMUs. Only actual expenditure incurred towards the Scheme and recorded in the PFMS (EAT Module) will be considered as eligible Program Expenditure.

37. An accounting unit will be created under NPMU, which will consolidate all the financial reports from states, its expenditure and submit the AFS to CAG for audits and follow up on the audit observations.

38. The following shall be ensured and specified in the State's Fiduciary Manual uploaded in www.ataljal.mowr.gov.in

(a) The SPMUs in the States shall follow the current accounting systems in the states:
(i) The DDOs designated under the scheme shall effect payments using PFMS upon receipt of bills approved by the Project Director, SPMU and or according to the approved delegation of powers, as detailed in the state fiduciary manuals.
(ii) SPMUs and their respective DPMUs shall maintain accounts for Scheme in the PFMS only, with the statements of their respective dedicated bank account for the Scheme.
(iii) NPMU shall generate consolidated monthly statement of accounts from PFMS for internal audits and monitoring.
(iv) All accounts maintained for the Scheme shall be audited by the State AG or any other competent auditor at the appropriate levels as prevalent in the State.
(v) The consolidated UC summary report generated from the PFMS shall be submitted by SPMUs to DoWR, RD&GR along with the semi-annual progress reports.
(vi) NPMU shall generate the summary report of UCs for its expenditure and consolidate the same in program semi-annual progress reports.

(vii)   ***Books to be maintained at SPMUs****:* Cash Book, Contractors ledger and payment register-vouchers in the PFMS; while Bank statement and Bank Reconciliation Statements –separately in the SPMU. The existing provisions in the PFMS will be used for reconciling Bankstatements with that of the expenditure statement in the PFMS.

(viii)   ***Books to be maintained at DPMUs:*** Cash Book, Contractors ledger and payment register-vouchers in the PFMS; while Bank statement and. Bank Reconciliation Statements – separately in the DPMU.

(ix)   ***Books to be maintained by GPs:*** 1. Separate Cash book for Atal Jal;
2. Bank Statement; and 3. Expenditure vouchers. Recipient GPs that are familiar on use of PFMS may book their expenditure in the PFMS itself and no separate cash book needs to bemaintained.

Staffing/Hiring of professionals for Financial Management Cell in Program Monitoring Unit:

39.   The NPMU and SPMU will be housed with adequate finance and accounting staff dedicated for financial management of Atal Jal Program.

Financial Reporting:

40.   NPMU will prepare the National Program Annual Financial Statement (AFS), which will be a consolidation of the AFS of all participating states and submit the same to DoWR, RD&GR, which will in turn share the audited AFS with the World Bank by December 31 each year, after necessary review. This AFS will consist of a Statement of Sources and use of Scheme Funds and a Statement of Program Expenditure in the AFS format (Annexure-2). Only actual expenditures incurred during the year and reported in PFMS will be recognized as eligible Program Expenditure and will form part of the AFS. Upon approval of AFS by NISC the same will be uploaded in www.ataljal.mowr.gov.in

41.   The NPMU and the SPMUs shall ensure that the Program Expenditure , as defined in Section II of Appendix to the Loan agreement is complied with the requirements detailed therein – comprises of the following '*a) the cost of the Program supply-side activities, including water harvesting and artificial recharge and surface water harvesting; (b) the cost of demand-side activities, including improved irrigation technologies, managing energy irrigation nexus and other demand management interventions; (c) the cost of demand-side activities at communities' level, including water-efficient technologies, crop management and diversification, and participatory groundwater management mainstreaming; and (d) the cost of water quality activities, including improved groundwater quality and community level groundwater quality monitoring'. as further defined in the Program Guidelines'* concurred by the World Bank and approved & issued by the DoWR, RD&GR subsequently.

Internal audit arrangements:

42.   Presently internal audit of the Scheme will be spear headed by the office of the Controller of Accounts, DoWR, RD&GR who will depute a team comprising of relevant experts for the same. At the national level, internal audits of DoWR, RD&GR shall be guided by the Term of Reference for Internal Audit. The scope, selection process, frequency of audit, shall ensure consistency with the Internal Audit Manual and TOR for the reports to be submitted by July 31 each year for the preceding Financial Year.

43.   Internal audit of Atal Jal will be an integrated procurement and FM audit. responsible for carrying out audit for all the IA's including selected line departments and agencies at all levels who have been engaged in

activities for ABHY .

44. Follow-up of internal audit observations shall be done on priority and would be the responsibility of the SPMUs with the oversight of the SISC at the State level and of NISC at the national level.

Internal Controls: Internal control framework of the Scheme at the national level will follow GFR ; the Government Accounting Rules, 1990; and the Central Government (Receipts and Payments)Rule and Delegation of financial powers at the central level will follow that prescribed by the MoF. Atthe states-level, internal controls will be as detailed in their respective Budget Manual, Financial Rules, and Treasury Code, and delegation of financial powers and briefed in their respective State fiduciary manual. .

External Audit:

45. The entire Scheme will be audited by the C&AG and the DoWR, RD&GR will be responsible for coordinating the audit. The audit will be completed and audit report will be sharedwith the World Bank by December 31 each year. The scope of audit will be as per the ToRs issued by the MoF (Department of Economic Affairs) vide their Office Memo F. No. 17/7/2006-FB-II on March 20, 2009, prescribing 'Terms of Reference' to be adopted for all audits conducted by the C&AG.

46. The Program audited financial statements will be made public on the website of the Program/Ministry/GoI.

47. The model ToR for annual statutory audit by C&AG of externally aided projects agreed with the Ministry of Finance will be circulated to the States separately and will be incorporated in the respective State Fiduciary Manuals. DoWR, RD&GR will pursue CAG to ensure Atal Jal accounts are audited in compliance to the circular of Ministry of Finance in this respect. If state propose audit by a CAG empaneled firm, the ToR and engagement of the firm will be approved by the Secretary (WR, RD&GR).

48. The NPMU shall follow up with the states for timely submission of annual audit reports not later than November 30 of each year, along with remedial measures taken to address the audit observations, if any, by the AG/external auditors.

49. The consolidated AFS of the States and NPMU audit report shall include confirmation of compliance to GFR/extant procurement rules and regulation for procurements underthe scheme carried out by the NPMU, SPMUs, DPMUs, in the states.

50. **Training and Capacity Building** :TSAs/Experts shall provide day to day guidance to State SPMUs to ensure compliance and consistency with the applicable Procurement and financial management procedures and processes, and shall also be the repository for fiduciary complaints and mitigation measures taken up in their respective States. Financial experts in the National Technical Support Agency shall assist NPMU and SPMUs by providing training of personnel engaged in financial management at different levels. NPMU shall prepare an annual financial training calendar and N-TSA will have directed to provide needful capacity building in financial management to NPMU, SPMUs and DPMUs.

CHAPTER 3 PROCUREMENT MANAGEMENT

1.   Procurement is an important function that allows a project to obtain optimal value for financial resources expended on goods, works and services. The economical, and efficient use of financial resources in a competitive and transparent manner through a sound procurement process contributes to the achievement of the operational and strategic goals of a program. Efficient procurement practices generate efficient utilization of resources for the purpose intended.

2.   This fiduciary Manual provides comprehensive procurement guidelines for the program. It defines the main features of sound public procurement as - *buying Goods, Works and Services with due consideration for value for money (economy, effectiveness and efficiency) without regard to political or other non-economic factors,* in order to obtain the best value for money spent for intended.

3.   The state fiduciary manuals shall contain relevant procurement guidelines and policies specific to the state as per its own GFR, and amendments thereof. The State fiduciary manual shall coverlegal, regulatory and procedural controls, bidding and contract documents, reporting and recordkeeping requirements including delegations and purchase decision making authorities. This guideline will vary from State to State and shall be approved by the Project Coordinators and thereafter used for procurements under Atal Jal by the nodal agency's SPMU, DPMUs, GPs and other executing agencies in the respective state.

4.   Prior agreed Activities to be carried out by implementing agencies at each level i.e National, State, District and Gram Panchayat specified in the program guideline under the ATAL Jal Scheme must conform to the following yardsticks: -
5.   The activities to be prior agreed with the SPMU/NPMU .
6.   the specifications in terms of quality, type etc., as also quantity of goods to be procured, shouldbe clearly spelt out keeping in view the specific needs of the procuring organizations.
7.   offers should be invited following a fair, transparent and reasonable procedure;
8.   the procuring authority should be satisfied that the selected offer adequately meets the requirement in all respects;
9.   the procuring authority should satisfy itself that the price of the selected offer is reasonable andconsistent with the quality required;
10.   at each stage of procurement, the concerned procuring authority must place on record, in precise terms, the considerations which weighed with it while taking the procurement decision.
11.   Latest schedule of rates for preparing the plans and estimates for works. The Schedule of Rates shall be issued periodically, however, that the rates shall not be higher than the rates laid down by the State Government for similar items of works or development schemes in the locality. Copies of such schedules shall be supplied to all the IA 's . When there is no rate for a particular item in the Schedule of Rates but the item is required to be executed, the rate for such item, supported by the analysis, shall be got approved by the appropriate authority before adopting it for preparation of estimates or extra item of rate list.

12.   Each State, under Atal Jal, will prepare a State specific Fiduciary Manual detailing the procurement practices followed in their respective States. These State specific fiduciary manual will form an integral part of this Program fiduciary manual**.**

13.   **At the Central /National leve**l procurement is based on the GFR, the Delegation of Financial Powers and Rules (DFPR), Government Orders (GO) and the broader framework of the Indian Contract Act, the Sale of Goods Act and the guidelines issued by the Central Vigilance Commission (CVC) generic

guidelines applicable to government procurements.

14. **At the State level** Procurement arrangements vary amongst the States and are essentially guided by State schedule of rates, General Financial Rules (GFRs) of States, Delegations of power and PWD manual. Empanelment of contractors is done as per PWD Contractor's Registration Rules and other relevant Government Orders issued from time to time. Overall responsibility of ensuring compliance and consistency to the above is with SPMU.

15. **Excluded High value contracts**: Some potential investment categories will be excluded from the Atal Jal. These include (a) construction of major dams and new large-scale irrigation systems and (b). Thesecould fall under the category of activities that are judged to be likely to have significant adverse impacts that are sensitive, diverse, or unprecedented on the environment and/or affected peoples and are not eligible for financing under the Program. **The Program will exclude activities that involveprocurement of (a) works, estimated to cost US$50 million equivalent or more per contract; (b) goods and non-consulting services estimated to cost US$30 million equivalent or more per contract; and (c) consultant services, estimated to cost US$15 million equivalent or more per contract**. All such activities will not be eligible for World Bank funding and hence will not be reimbursed by DOWRRD&GR.

16. **Roles and Responsibility:** Overall responsibility of ensuring compliance and consistency regarding procurement lies with NPMU and SPMUs as the case may be. Based on the guidance by NPMU, the SPMUs and their DPMUs shall be responsible for ensuring appropriate process and timely execution of procurement activities in the participating State by line departments . Besides oversight function through regular reviews, NPMU shall ensure and guide SPMUs on timely execution of project activities. All procurement information /guidance shall be collated and disseminated by the SPMUs at State and District levels, including selected line departments . The NPMU and SPMUs shall coordinate, collate and ensure that all procurementinformation at all levels from planning to contract closure are duly captured and regularly updated in www.ataljal.mowr.gov.in. The roles and responsibilities of each SPMU and their DPMUs including delegation of financial powers for carrying out procurement and financial transactions, applicable processes and procedures, are to be defined in the respective State Fiduciary Manuals, in accordance with the prevalent orders and amendments thereof issued by the participating States.

17. **Role of Technical Support Agencies** :TSAs/Experts shall be appointed to provide day to day guidance to State SPMUs to ensure compliance and consistency with the applicable procurement procedures and processes, and shall also be the repository for fiduciary complaints and mitigation measures taken up in their respective States. Procurement experts in the National Technical Support Agency shall assist NPMU and SPMUs by providing procurement training of personnel engaged in procurements at different levels. NPMU shall prepare an annual procurement training calendar and N-TSA will directed to provide needful capacity building in procurement to NPMU, SPMUs and DPMUs**.**

18. Roles and Responsibilities of Procurement Expert/Consultant:

   a) At National & State Level: The Terms of References (TOR) envisaged for a procurement expert assigned for Atal Jal by NPMU & SPMUs shall include but is not limited to following responsibilities:

- A procurement expert/consultant shall deal with procurement matters at all stages of theproject cycle, from preparation of procurement plan to the stage of completion of bidding process to ensure compliance and consistency across board.
- Guide NPMU, SPMU, DPMUs on all the procurement related matters
- Collect, and verify the information on Procurement Plan and Contracts monitoring

- update the procurement monitoring information system
- Ensure records are kept safely in an indexed manner.
- Facilitate reviews/audits by coordinating with the Review Teams. / World Bank.
- Disseminate and address the review observations raised by the Review Teams
- Develop procurement training modules and conduct procurement training programs related forall participating agencies at all levels.
- Providing Oversight and regularly monitoring the quality of procurement and reporting majordeficiencies and taking timely corrective actions in coordination with respective States.
- Record, address, monitor and close the procurement-related complaints.

b) Roles and responsibilities of Procurement Officer at District and GP level shall be included in the State fiduciary manual.

19.   **Procurement Information:** The NPMU shall ensure that SPMUs capture details of all procurement carried out in the program, in the prescribed formats in www.ataljal.mowr.gov.in . The details shall include procurement operations to support planning, execution and monitoring of procurements and contract management by departments and agencies engaged in implementing Atal Jal. Access to this portal willbe provided to SPMUs & DPMUs for procurement data entry and report generation. SPMUs will ensurethat progress reports generated from the portal shall be part of the QPRs and shall be endorsed by the Project Coordinators or other such authority, before submission to NPMU, which in turn shall submit its consolidated reports to NISC for its review and concurrence. Any procurements utilizing the incentive grants by GPs shall follow the existing procedures followed for state and Central Sector Schemes, under the guidance and oversight of DPMUs.

20.   **An independent annual procurement review** of at least 15% of contracts awarded under the programshall be carried out for the contracts entered under the program as part of the internal audit or as a standalone activity in accordance with the prior agreed TOR with the World Bank for all the IA's including selected line departments and agencies at all levels who have been engaged in activities for ABHY. For other selected line departments and State agencies engaged in activities for Atal Jal, a copy of the Fiduciary Manual will be shared for their compliance .

21.   **Based on the findings, a** Follow-up action plan for internal audit observations shall be made on priority that would be implemented by respective SPMUs with the oversight of the SISC at the State level and of NISC at the national level.

22.   In the absence of any provisions or documents at the State level, the program shall be executed in compliance with the NPMU fiduciary manual. .

Procurement Plans

23.   The NPMU and SPMUs will prepare their annual procurement plans with details of procurements necessary for the completion of the Scheme, associated procurement methods and timelines. The planning process will grow from village level plans and get consolidated at DPMU and State level intoannual work plans.

24.   SPMU will be responsible for preparation of a consolidated State Annual Work Plan (AWP) for activities (Goods, works and Services) under Atal Jal for each year and upload it on www.ataljal.in. The plans will identify the services, goods and works that are needed for implementing their AWPs. The procurement plan template is attached as Annexure 3, and is available in www.ataljal.mowr.gov.in Procurement Plan shall include description of contracts for the goods, works and for services required

to carry out the project, consistent with project principles, their technical and administrative approved estimates and proposed methods for procurement over the total agreed implementation period. The procurement shall be consistent with budgetary allocations and in line with the AWPs

25.   The Procurement Plan shall be updated annually or as needed throughout the duration of the program. List of Works, Goods, and Services to be procured under the project, year-wise with estimated cost and method of procurement shall be detailed. The Procurement Plan shall be submitted online to the SPMU, NPMU for information, scrutiny and record.

Record keeping:

26.   All the SPMUs are to ensure maintenance of record of fixed Assets and its annual verification. Procurement records include all documents relevant to the pre-tendering, during tendering and aftertendering i.e. Contract administration phases. It should be possible to reconstruct the entire procurement and contract administration processes from these records. The procuring entity, throughits subordinate staff, is responsible for maintaining the procurement and contract records of each requirement. Although all records are maintained by the procuring entity, the entity responsible for contract administration should also maintain and upload working/soft copies of relevant documents in the www.ataljal.mowr.gov.in, while forwarding the same to the relevant authorities as detailed in the respective

State GFRs. All procurement records shall be stored carefully in such a way that it should available at any time for verification and Audit. The files of the concerned work/contract shall be maintained with the following documents: - Detailed of approved activity

- *Procurement plan /Estimate*
- *Technical Sanction and Admin Approval*
- *Advertise published in Newspaper and*
- *Copies of all Tenders received*
- *Comparative Statement of Tenders and Minutes of committees and Proceedings.*
- *Letter of Acceptance of tender and Copies of Earnest Money and Security Deposit receipts*
- *Contract Agreement copy /Work Order*
- *Contract amendments, if applicable*
- *Any other relevant documents which forms the part of contract*

Procurement review

27.   Procurement review refers to review of files and documents relating to the procurement of Goods, works and consultancy services by all the IA's. The procurement of Goods works and Services under the program will be undertaken as per the laid down guidelines for Atal Jal. The broad objectives of the review is to evaluate compliance with the applicable procurement process and procedures as specified in National /State fiduciary manual for utilization of public funds; system effectiveness and efficiency, and conformity to rules and regulations including appropriate handling of complaints and grievance related to procurement and contract management . It also helps in determining willful negligence including likely fraud/corruption evidence, if any. The report and observations of procurement review shall also serve as a guide to undertake timely corrective steps as needed to streamline and improve the procurement system. The NPMU and SPMU shall keep records of all documents and action taken report for annual procurement reviews.

28.   **External audit:** The annual statutory audit report shall include confirmation of compliance to GFRs/extant procurement rules and regulation for procurements under the Scheme carried out by the NPMU, SPMUs and / or other executing agencies in the states. The statutory audit of the Program will be conducted by the Auditor's General Office and or other agency as approved by NPMU and appointed by the respective SPMU, as the case may be every year as per their schedules. During the audit/ review the team will audit the Contracts and Procurement procedures adopted and give a report to the State authority and the auditee authority for information and necessary action. The auditshall be conducted at NPMU, SPMUs level as per their annual schedules.

29.   **Procurement post Review :** Annual procurement review shall be carried out as part of internal audit or through an independent procurement consultant for at least 15% of the contracts concluded during the previous FY . The information related to procurement of Goods / works / Services and the Contracts concluded will be obtained / collected online from www.ataljal.mowr.gov.in   and Monthly/Quarterly Reports from the SPMUs. Procurement review will be added to the scope of work of the internal auditor,engaged by NPMU, for efficiency and cost-effective purposes. The internal audit report shall comprise offindings, systemic issues and mitigation measures proposed /taken and shall be shared with World Bank at end of each financial year. Broadly the annual procurement review shall include but is not limited to the following aspects:

a.   Whether the procurement was made as per the Annual action plan/procurement plan?
b.   Is any contract beyond the threshold for excluded activities?
c.   State threshold for e-procurement is being adhered to?
d.   Whether any contract awarded to a firm sanctioned by the Bank?
e.   Whether the State /National Program fiduciary Manual complied with?
f.   Have each IA put in place a procurement focal point person/s and are they trained and made

fully aware of the requirements set out for the program?

g. Whether the procurement was carried out in an economic, competitive and transparent?

h) Confirm if any complaints have been received in regard to any procurement activity or contract implementation and if the same is recorded, reported and acted upon through appropriate action to resolve/close the complaints.

h. Do the procurement procedure adopted complies with the guidance applicable for this Program and as has been provided by the SPMU /NPMU;

i. Was the contract aligned to the Invitation for Quotation (IFQ)/Invitation for Bids in terms of specifications and quantity and terms & conditions associated with the specific contract.

j. Are standard Bid document and contracts as provided by SPMU being used for inviting quotations /Bids consistently by all IA's.

k. Review contract management aspects to confirm whether contracts completed on time, any delay in contract completion or payment; any contract terminations or other CM issues.

l. Are records kept properly? Is the asset verification register maintained and are the assets verified periodically?

m. Whether any complaint received regarding any procurement activity and if yes, whether resolved satisfactorily?

n. Any red flags or issues of Fraud and corruption observed during procurement process or contract execution?

Based on auditors' findings and reports the following indicators will be annually updated andincluded as part of the semi-annual progress report for each State :

Risk	Performance Indicator	Baseline [4]	Recommended Standard
Procurement plan.	Implementation agencies prepare procurement plans.	None of the agencies prepares a comprehensive procurement plan.	Annual procurement plans are prepared.
Use of e-procurement / GeM portal	i)All procurement is undertaken through e-procurement system and ii)time taken for procurement process.	i)Data not available ii)60 days	a) 100% as per State threshold b) Timely conclusion of contracts within initial validity period; lower repeat bidding; and lower bid cancellations.
Checking the debarment list	Checking GoI and World Bank debarment list before contract award.	Not always done before award of contract.	Done in all cases before award.
Average number of bidders.	Number of tenders purchased, and bids received.	2 bidders	Improvement in level of participation and competition.
Processing of contractor payments.	Average time taken for release of payment from date of validation of Measurement Book and date of bill raised by contractor.	70% payments are made within the agreed timelines in contracts.	Improved efficiency of contractor payments.
Contract administration/time and /or Cost over-runs.	Average time taken for completion of project from date of award of contract and difference between estimated date of completion as per contract and completion date.	20% of contracts are delayed from the contract duration stated in the contract. Increase in the contract amount from the awarded amount	Improved time efficiency in project execution. Quality of process, documents, specifications; quality of competition

Procurement Staffing

30. The NPMU may ensure that procurement specialists and/or procurement consultants are deployed in NPMU, SPMUs and DPMUs to ensure and facilitate efficient and expedited decision-making arrangements forprocurement under Atal Jal.

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[4] Internal auditor shall update the data based on the first internal audit.

31. SPMU shall be supported procurement expert either drawn on deputation from other departments and/or hired on contract basis for the entire duration of the Scheme's shall carry out internal procurement and financial review of procurement expenditure carried out by district, GPs, and other agencies.

32. The NPMU & SPMUs shall ensure that adequate training is imparted on application of procurement methods applicable to the respective institution to the staff and other authorized employees in SPMUs and DPMUs to ensure transparency in the procurements carried out by these institutions/agencies. The information of procurement expert and /or consultant shall be uploaded by each SPMU on Atal Jalwww.ataljal.in. Any change in the same shall be promptly intimated to the NPMU.

Grievance Redressal Mechanisms

33. Grievances and complaints from the contractors/suppliers shall be dealt with as per state specificprocedures and specific contract terms and conditions. Online GRM facility available in the www.ataljal.in should be widely disseminated for submission of grievances / complaints, to enable early resolution of the same. All the procuring entities would cross check, prior to award, that no contracts are awarded to any firmswhich are on the debarment list of the Bank by checking the list available on the World Bank website http://www.worldbank.org/debarr., or as notified by Government of India / State Government.

Capacity Building Measures

34. For the effective implementation of procurement activities specific to the program, the project should initiate capacity building measures for imparting training to the DPMUs, VWSCs and other such approved institutions. Training shall be conducted initially by the SPMU where the project staff is acclimatized about the concept of community procurement, methods of procurement, procurement administration and monitoring system and procedures and responsibilities for effective supervision and monitoring. Refresher training should be organized periodically for the aforesaid institutions throughout the implementation of theproject.

Atal Bhujal Yojana

Annexures

T-40012/2/2018-GW
Government of India
Ministry of Jal Shakti
Department of Water Resources, RD&GR

Shram Shakti Bhavan
Rafi Marg, New Delhi-110011.

Dated 17.04.2020

Sub: Setting up of National Level Steering Committee (NLSC) for implementation of the World Bank assisted Atal Bhujal Yojana (Atal Jal).

Atal Bhujal Yojana, with World Bank assistance, is being implemented by Department of Water Resources, RD & GR, Ministry of Jal Shakti with participation of seven States viz. Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Uttar Pradesh. For effective implementation and monitoring of activities under Atal Jal, a National Level Steering Committee (NLSC) with the following composition is hereby constituted:

1.	Secretary, DOWR, RD &GR	Chairman
2.	Additional Secretary, DOWR, RD &GR	Member
3.	Joint Secretary & Financial Advisor, DOWR, RD &GR	Member
4.	Joint Secretary (IC&GW), DoWR, RD&GR	Member
5.	Secretary or representative, Ministry of Agriculture & Farmers Welfare	Member
6.	Secretary or representative, Department of Land Resources	Member
7.	Secretary or representative, Department of Rural Development	Member
8.	Secretary or representative, Department of Drinking Water & Sanitation	Member
9.	Secretary or representative, Ministry of New and Renewable Energy	Member
10.	Secretary or representative, Ministry of Power	Member
11.	Secretary or representative, Ministry of Panchayati Raj	Member
12.	Advisor, Water Resources, NITI Aayog	Member
13-19.	Nodal Principal Secretaries / Secretaries of participating States	Member
20.	Chairman, CWC	Member
21.	Chairman, CGWB	Member
22.	Project Director, Atal Bhujal Yojana	Member Secretary

Representatives of Central Ministries / Departments should not be below the rank of Joint Secretary.

The Committee would provide strategic supervision, policy guidance and steering support for the successful implementation of the project.

The Terms of Reference for the Committee will be as under:

i. Inter-ministerial coordination

ii. Guide Program partners in implementation

iii. Review program implementation status/annual progress reports

iv. Evaluate and assess impact of improvements in groundwater levels

v. The National Level Steering Committee would meet as often as required but at least two times a year.

This issues with the approval of Secretary, DoWR, RD & GR.

(Ashish Kumar)
Director
Phone No. 23716747
Email: dirgw-mowr@nic.in

To:

1. The PPS to the Secretary, DOWR, RD &GR, New Delhi.

2. The PPS to the Additional Secretary, DOWR, RD &GR, New Delhi

3. Secretary, Ministry of Agriculture & Farmers Welfare

4. Secretary, Department of Land Resources

5. Secretary, Department of Rural Development

6. Secretary, Department of Drinking Water & Sanitation.

7. Secretary, Ministry of New & Renewable Energy

8. Secretary, Ministry of Power

9. Secretary, Ministry of Panchayati Raj

10. The PPS to the Chairman, CWC, New Delhi

11. The PPS to the Chairman, CGWB, New Delhi

12. The PPS to Joint Secretary (IC &GW), DOWR, RD &GR, New Delhi

13. The PPS to Joint Secretary & Financial Advisor, DOWR, RD &GR, New Delhi

14. Nodal Principal Secretaries/Secretaries of the participating states.

15. Project Director, Atal Bhujal Yojana

Signature Not Verified

Digitally signed by ASHISH KUMAR
Date: 2020.04.17 2:31:59 IST
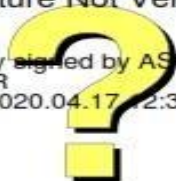
Annexure 2-

Consolidated Financial Statement [5](AFS) of SPMU _____	
Project Name:	Atal Bhujal Yojana
Period for which Annual Financial Statement is submitted	
(Amount in Rupees)	
Particulars	Year
Opening balance	
Receipts from GOI	
Bank Interest	
Income from Other Sources	
Total Available Funds	
Fund utilisation	
Institutional Strengthening & Capacity Building Component	
Incentive Component	
Total fund utilisation	
Funds Deposited into Consolidated fund of India (CFI)-Bank Interest	
Funds Deposited into Consolidated fund of India (CFI)-Other Income	
Closing Balance	
Closing Balance +	
Security deposit(s) (if any)	

NOTE:
1. SPMUs shall ensure that the Statement of Expenditure providing head-wise details of expenditure incurred shall be supported by relevant documents as per the chart of accounts circulated to the states by NPMU.
2. The AFS and supporting documents for each of the heads given in the template above shall be signed by the designated authorities in the SPMU, by the participating states

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[5] Detailed Head wise statement to be drawn from PFMS and annexed to the consolidated statement

PROCUREMENT PLAN FOR FINANCIAL YEAR ……..
GOODS /WORKS/CONSULTANCY

STATE :

Activity Ref No. / Description:	Category (Goods/ works/consultancy)	Estimated Amount (US$)	Procurement Method	Draft Bidding Documents		Specific Procurement Notice (Advertisement)		Technical Evaluation Report (if applicable)		Bid Evaluation Report and Recommendation for Award		Notification of Intention of Award Issued		Signed Contract		Contract Amendments	Contract Completion		Contract Termination
				Planned	Actual	Planned	Actual	Planned	Actual			Planned	Actual	Planned	Actual	Actual	Planned	Actual	Actual
	Goods																		
	Works																		
	Consultancy																		

Annexure 4

GOVERNMENT OF INDIA
OFFICE OF THE CONTROLLER OF ACCOUNTS
PRINCIPAL ACCOUNTS OFFICE, MINISTRY OF JAL SHAKTI
C-WING, SHASTRI BHAWAN, NEW DELHI – 110001
Ph: 011-23381913 Email: epaymentwr@gmail.com

No. WR/CA/Admn/Fund Flow/2021-22/ |3067- 3078   Date: 24/03/2022
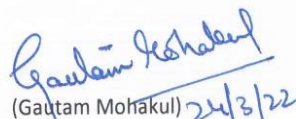
Office Memorandum

      The Department of Expenditure, M/o Finance has issued a revised procedure vide OM dated 09th March 2022 for flow of funds under Central Sector Scheme and monitoring utilization of the funds released(copy enclosed).The aim of the revised procedure is to ensure effective cash management and improved transparency in the public expenditure management.

      2. The revised procedure will be effective from 01.04.2022 for which various preparatory activities need to be completed by the concerned divisions for the smooth implementation of the Central Sector Schemes by the stipulated date.

      In view of above, it is requested to complete the activities enumerated in the above mentioned OM of M/o Finance so that funds may be released under the Central Sector Schemes as per revised procedure.

Yours sincerely

(Gautam Mohakul) 24/3/22
Dy. Controller of Accounts

Encl: as above

To

1. Additional Secretary, DoWR, M/o Jal Shakti
2. Additional Secretary (SBM), DDWS, M/o Jal Shakti
3. Director General(NMCG), DoWR, M/o Jal Shakti
4. Mission Director (NWM), DoWR, M/o Jal Shakti
5. Additional Director General(Stat), DoWR, M/o Jal Shakti
6. Joint Secretary(Admin &GW), DoWR, M/o Jal Shakti
7. Joint Secretary(RD&PP), DoWR, M/o Jal Shakti
8. Joint Secretary(Estt., GA & Coordination), DDWS, M/o Jal Shakti

Copy to:

1. Sr.PPS to Secretary, DoWR, M/o Jal Shakti
2. Sr.PPS to Secretary, DDWS, M/o Jal Shakti
3. PS to JS&FA, M/o Jal Shakti
4. PA to Controller of Accounts, M/o Jal Shakti

North Block, New Delhi
Dated : 9th March, 2022

OFFICE MEMORANDUM

Subject: **Revised procedure for flow of funds under Central Sector Schemes**

In supersession of all previous orders issued by the Department of Expenditure, Ministry of Finance regarding release of funds under the Central Sector Schemes, the following procedure shall be followed w.e.f 1st April, 2022 by the Ministries/ Departments of Government of India for flow of funds under the Central Sector Schemes and monitoring utilization of funds released.

Model – 1 : Implementation through Treasury Single Account (TSA)

2. In case of Central Sector Schemes having annual outlay of more than Rs 500 crores and implemented without involvement of State agencies, it shall be mandatory to implement such schemes through the Treasury Single Account (TSA) model. This will ensure that the funds of these schemes are released "Just-In-Time" from the Consolidated Fund of India (CFI) to the beneficiaries/vendors. The Ministries/Departments may opt for Model-1 for other Central Sector Schemes too in consultation with RBI. For the schemes implemented through this model, the following procedure shall be followed by the Ministries/Departments:

i. For each Central Sector Scheme, the concerned Ministry/Department will designate an Autonomous Body as the Central Nodal Agency (CNA) to implement the scheme.

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ii. If there are other agencies involved in implementation of the scheme down the ladder, which get funds from the CNA, these Implementing Agencies (IAs) will be notified as Sub-Agencies (SAs) of the CNA.

iii. Each CNA will open an account with the Reserve Bank of India (RBI) in e-Kuber. Even in cases where CNA is already registered in the TSA module and has a bank account in e-Kuber for some other grant, it will open separate account in e-Kuber for funds to be provided under each Central Sector Scheme.

iv. The SAs of every CNA will also open scheme-wise bank accounts with RBI in e-Kuber in line with the requirements of para (iii) above.

v. The relevant details of all the accounts of the CNA and SAs opened with RBI shall be mapped in the TSA module of PFMS as per the extant guidelines on TSA.

vi. In respect of funds of Central Sector Schemes, the CNA and SAs shall not open/operate/ park funds in any other bank account except under the provisions made in these guidelines.

vii. RBI will function as the primary banker to the Ministries/ Departments in this regard without involvement of an agency bank.

viii. All these accounts in RBI will be "Assignment Accounts". A limit up to which expenditure can be incurred by the CNA/ sub-agencies shall be assigned to these accounts from time to time by the Pay and Accounts Office (PAO) concerned through PFMS.

ix. Assignment will be based on an expenditure sanction issued by the Programme Division (PD) and the bill preferred by the Drawing and Disbursing Officer (DDO). The e-format of the assignments and Sub-assignments shall have requisite details required for accounting and reconciliation of transactions. The e-Kuber bank account details of the CNA/SAs shall be incorporated in the sanction order.

x. Consequent upon receipt of the sanction order for release of funds to the CNA alongwith bills from the Drawing and Disbursing Officer (DDO), the concerned

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Pay and Accounts Officers (PAOs) shall, through assignments, advise RBI, after exercising all necessary checks, to honour the payment instructions issued by the concerned CNA/SA up to the, "assigned limit" in the advice.

xi. The PAO shall debit the concerned Head of Account for appropriation but not transfer the cash directly to the CNA. It shall be retained in an interim account in respect of the CNA listed under the parent Ministry/ Department in the public account.

xii. The assignments shall be uploaded on the TSA module and received electronically by the CNAs as per the existing protocols of TSA module. The CNA may issue e-Sub-assignments in PFMS against this assignment setting limits of expenditure for the SAs.

xiii. CNAs & SAs shall adhere to all due process while incurring expenditure from the assignment limit sanctioned through PFMS. CNAs shall also ensure that sufficient limit is available in the relevant account before issue of assignment to SAs.

xiv. The system will be digital and fully online on PFMS with no physical flow of assignments to RBI or expenditure by CNAs/SAs on assignment basis. The electronic file containing a unique sanction ID and necessary details of the sanction order will travel directly from PAO to RBI and concerned CNAs. RBI will maintain individual ledgers in respect of the accounts of the CNAs for watching the availability of assignment.

xv. PFMS Division in CGA will design requisite reports to enable all Program Division (PDs), Pay & Accounts Officers (PAOs), and other stakeholders to view details of sanction orders, summary and budget balance of assignments/sub-assignments, and expenditure details.

xvi. Ministries/ Departments administering the schemes concerned should strive to make realistic estimation of Budget under the Central Sector schemes and issue sanction orders according to actual requirements. The savings in the assignments should be anticipated well in advance particularly in the third quarter of

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Financial Year and Ministries/Departments shall ensure suitable savings/surrenders are informed to Budget Division during the pre-budget meetings.

xvii.   Control of limits shall be at the Standard Object Head level.

xviii.   Unutilized assignments will lapse to the Government at the close of the Financial Year as per the extant norms of Budget execution and will not be available to the CNAs /SAs for expenditure in the next financial year. In PFMS too, all e-assignments/e-sub assignments shall cease to exist after the close of financial years and shall be flushed out from the system as per the current practice in TSA module.

xix.   In respect of some transactions like payment of TDS, Income Tax and GST, Opening of Letter of Credit in favour of foreign suppliers, scholarships to foreign students not having account in India, and payment of salaries of the month of March to be paid in 1st week of April, CNAs/SAs may utilize the services of their existing account at commercial banks. They may transfer funds "just in time" to the extent required for meeting such transactions. However, in no case the money transferred under this provision will be parked in a Commercial Bank beyond a period of two weeks.

xx.   Unutilized amount of past releases under the scheme available in the bank account of CNA & SAs shall be deposited in the Consolidated Fund of India.

Model – 2: Implementation through scheduled commercial banks

3.   In case of Central Sector Schemes having (a) annual outlay of less than Rs 500 crores or (b) the schemes are being implemented by agencies of the State Governments exclusively or in addition to the central agencies or (c) other schemes not covered in Model-I, the following procedure will be followed by the Ministries/ Departments :

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(i)   Every Ministry/ Department will designate a Central Nodal Agency (CNA) for implementing each Central Sector Scheme. The CNA will open a Central Nodal Account for each Central Sector Scheme in a scheduled commercial bank authorized to conduct Government business by the Ministry/ Department concerned.

(ii)   Implementing Agencies (IAs) down the ladder will be designated as Sub-Agencies (SAs). The SAs will use the CNA's accounts with clearly defined drawing limits set for that account. However, depending upon operational requirements, zero balance subsidiary accounts for each scheme may also be opened by the SAs.

(iii)   All zero balance subsidiary accounts will have allocated drawing limits to be decided by the CNA concerned from time to time and will draw on real time basis from the Central Nodal Account of the scheme as and when payments are to be made to beneficiaries, vendors etc. The available drawing limit will get reduced by the extent of utilization.

(iv)   For seamless management of funds, the main account and all zero balance subsidiary accounts should be maintained with the same bank. However, Ministry/ Department may choose different banks for opening Central Nodal Accounts of different Central Sector Schemes.

(v)   Only banks having a robust IT system and adequate branch network should be chosen for opening Central Nodal Account and the zero balance accounts of SAs of each Central Sector Scheme. The bank chosen should have the facility to open the required number of subsidiary zero balance accounts and a robust MIS for handling accounting and reconciliation at each level. The bank should also provide necessary reports and a user-friendly dashboard to officers at various levels to monitor utilization of funds by SAs.

(vi)   The bank's software system should be able to monitor the drawing limits of the SAs who should be able to draw funds on real time basis from the CNA's account as and when payments are to be made. The selected bank should ensure

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(vii)   proper training and capacity building of branch managers and other staff for smooth operation of these accounts.

(vii)   Ministries/ Departments will release the scheme funds for each Central Sector Scheme to the account of CNA concerned strictly on the basis of requirement, keeping in view the balance funds of the scheme available with the CNA as per PFMS or scheme-specific portals fully integrated with PFMS in consonance with Rule 232(v) and 230(vii) of the General Financial Rules, 2017.

(viii)   The Ministries/ Departments and the CNAs shall ensure that the interest earned from the funds released is mandatorily remitted to the Consolidated Fund of India in terms of Rule 230(8) of GFR, 2017. The interest component shall be distinctly reflected in the MIS provided by the banks.

(ix)   The Ministries/ Departments shall release the funds as far as possible in 'Just-In-Time' manner keeping the float in CNAs account to the minimum possible and shall in no case release more than 25% of the amount earmarked for the scheme in a financial year at a time. Additional funds (not more than 25% at a time) will be released only upon utilization of at least 75% of the funds released earlier and in compliance with the conditions of previous sanction.

(x)   For administrative convenience and efficiency the Program Division may obtain approval of the competent authority and concurrence of the Financial Advisor for more than 25% at a time. But release of funds shall not exceed 25% in one instalment.

(xi)   After opening of Central Nodal Account of the scheme and before opening zero balance subsidiary account of SAs or assigning them drawing rights from CNA's account, the SAs at all levels shall return all unspent amounts of the scheme lying in their accounts to the Central Nodal Account of the CNA.

(xii)   It will be the responsibility of the Ministry/ Department concerned to ensure that the entire unspent amount of the scheme is returned by all the SAs to the Central Nodal Account of the CNA concerned before releasing funds to CNAs.

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(xiii) Ministries/ Departments will ensure that releases under all Central Sector Schemes are made strictly as per the actual requirement on the ground, without resulting in any material float with the implementing agencies at any level.

(xiv) Ministry/ Department will register the CNAs and all SAs on PFMS and use the unique PFMS ID assigned to the CNA and SAs for making all payments to them. Bank accounts of the CNAs, SAs, vendors and other organisations receiving funds will also be mapped in PFMS.

(xv) Payments will be made from the zero balance subsidiary accounts up to the drawing limit assigned to such accounts from time to time. Transactions in each Subsidiary Account will be settled with the Central Nodal Account daily through the core banking solution (CBS) on the basis of payments made during the day.

(xvi) CNAs and SAs will mandatorily use the EAT module of PFMS or integrate their systems with the PFMS to ensure that information on PFMS is updated by each SA at least once every day.

(xvii) CNAs will keep all the funds received in the Central Nodal Account only and shall not transfer the funds to any other account or not divert the same to Fixed Deposits/ Flexi-Account/ Multi-Option Deposit Account/ Corporate Liquid Term Deposit (CLTD) account etc. The funds released to CNA shall not be parked in bank account of any other agency.

(xviii) Release of funds by the Ministries/ Departments towards the end of the financial year should be avoided to prevent accumulation of unspent balances with CNAs.

4. UTs without legislature work directly in PFMS and should be given Letter of Authorization (LoA). There is no need for them to open a Central Nodal Account. They will ensure that the funds are released on the basis of LoA to the vendors/ beneficiaries 'Just-In-Time'.

5. Secretaries are requested to, and Financial Advisors of Ministries/ Departments shall, undertake monthly review of strict implementation of these guidelines, opening of

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accounts in RBI, issue of authorization or release of funds to the CNA, utilization of funds by CNAs and IAs and outputs/ outcomes vis-a-vis the targets of each Central Sector Scheme.

6.   Gradually, schemes in Model-2 are expected to move to Model-1 depending on readiness of RBI and Ministries for which necessary orders will be issued separately by the Department of Expenditure.

7.   The following categories of Central Sector Schemes will be exempted from following these guidelines and may continue in existing mode:
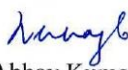
(i)   Central Sector Schemes being implemented by Ministries/ Departments in Direct Benefit Transfer (DBT) mode or reimbursement mode.

(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.

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8.   In cases where there is no Central Autonomous Body in a Ministry/Department or where the Ministry/Department wishes to implement the scheme directly through State Government agencies, such State Government agency will be designated as CNA. However, there shall not be more than one CNA per State. The funds in such cases will be released by the Ministry/Department to the CNA directly and not through state treasury

9.   An illustrative list of roles and responsibilities of CNAs is given in Annexure-I.

10. This issues with the approval of Finance Secretary & Secretary (Expenditure).

(Abhay Kumar)
Director
Tel. No. 24360647

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 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 States/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)

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Role and Responsibilities of CNA

Modified Fund Flow Guidelines for Central Sector Schemes

1. **Model 1 – Treasury Single Account (TSA) Model**

    a. Open Account with RBI in e-Kuber for each scheme under which it receives grant

    b. Mandatorily use TSA Module of PFMS

    c. Map the RBI Account details in TSA Module of PFMS

    d. Receive (electronically in TSA Module) the assignment done by the PAO

    e. Approve the account and scheme mapping of sub-Agencies at Level 1

    f. Issue e-Sub-assignments against the assignment setting limits of expenditure for the sub-Agencies

    g. Ensure funds are not transferred/parked in any other account except as per the guidelines

    h. Process payments by adhering to due process

    i. If existing accounts with commercial banks is to be used for specified purposes in the guidelines (such as payment of TDS, IT and GST, opening of LoC for foreign suppliers etc.), funds shall be transferred just-in-time and, in no case, parked beyond two weeks.

    j. All such unutilized funds (as above) shall be deposited back to the Consolidated Fund of India.

2. **Model 2 – through Scheduled Commercial Banks (SCBs)**

    a. Open Account with a SCB authorized to do Government business, for each scheme under which it receives grant

    b. Mandatorily use REAT Module of PFMS or integrate own IT system with PFMS for exchange of information (contact PFMS Rollout for details)

    c. Approve the account and scheme mapping of sub-Agencies at Level 1

    d. Approve the scheme mapping of all sub-Agencies using the CNA's Account

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e. Allocate limits for Level 1 sub-Agencies and all other sub-Agencies using the Central Nodal Account

f. Ensure funds are not transferred/parked in any other account of any Agency

g. Submit UCs after utilization of the funds that were transferred in the Central Nodal Account

h. Ensure that interest earned from the funds released is remitted to the Consolidated Fund of India

3. **One time activity –**

a. Ensure refund of unspent balance of lower level Agencies to the Central Nodal Account. This is needed after opening of the Central Nodal Account and other Zero Balance Subsidiary Accounts, and prior to assigning the drawing rights to sub-Agencies.

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F. No. 3/(06)/PFMS/2023
Government of India
Ministry of Finance
Department of Expenditure

North Block,
New Delhi, 15th May, 2023

OFFICE MEMORANDUM
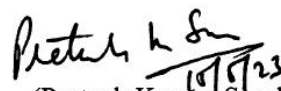
Subject: Revised procedure for flow of funds under Central Sector Schemes - **Functionality for remittance of Interest accrued in the CNA account to the Consolidated Fund of India.**

The undersigned is directed to refer to this Department's OM dated 9th March, 2022 regarding revised flow of funds under Central Sector Schemes and PFMS division OM No. I-30001/1/2023-ITD-CGA/22 dated 18th April, 2023 on the above mentioned subject.

2.   As per para 3(viii) of DoE's guidelines dated 9th March, 2022, the Ministries/Department and the CNAs should ensure that the interest earned from the funds in the CNA account is mandatorily remitted to the Consolidated Fund of India in terms of Rule 230(8) of GFR, 2017. In this regard, it has been decided that interest amount should be deposited in CFI only through Bharatkosh (NTRP) using PFMS process flow and no other mode should be adopted. The role of stakeholders in the PFMS process flow is attached in Annexure I. The process flow of remitting interest to CFI has also been updated in CNA User Manual which is available under User Manual menu of PFMS portal for Program Division and CNA.

3.   Ministries/Departments are therefore requested to ensure that the interest accrued in the CNA account is regularly deposited in the CFI through Bharatkosh (NTRP) using PFMS process flow. The deposit of interest accrued in the CNA account till 31st March, 2023 in CFI is also a condition for release of 1st instalment of funds to the CNA.

4.   This issues with the approval of competent authority.

(Prateek Kumar Singh)
Director
Tel. No. 23094961

To

1.   Secretaries of all Departments/Ministries, Government of India
2.   Financial Advisers of all Departments/Ministries of Government of India
3.   Pr CCAs/CCAs of all Ministries/Departments

Copy:

1.   Addl. CGA (PFMS), O/o CGA, INA, New Delhi

Annexure I

Role of Stakeholders

1. **Program Division**

- Map PAO/ DDO to CNA Schemes
- Guide CNA to transfer Interest amount to CFI.
- Ensure that CNA enters UTR details in Interest settlement page when Interest is remitted through Offline mode in Bharatkosh.

2. **PAO/PrAO**

- Mapping of Purpose with function head.
- Approval of Mapping of purpose with function head.

3. **CNA DO**

- Creation of voucher for transfer interest earned to Holding account.
- Create Remittance voucher of interest from holding account and submit to CNA DA.
- In Interest settlement page, view the Central Challan Details which will be prefilled if online mode is used for remittance in Bharatkosh.
- If offline mode is used for remittance in Bharatkosh, in Interest settlement page, CNA DO will enter RTGS/cheque details against auto populated Central Challan Details.

4. **CNA DA**

- Approve the for transfer interest earned to Holding account. Use DSC or PPA to transfer interest amount to the Holding Account.
- Approve the Remittance voucher of interest from holding account.
- Remit interest to CFI using BharatKosh either through online mode or Offline mode.
- If offline mode is used, make payment using deposit slip and update the UTR on PFMS within 15 days.
- CNA DA user will verify the details entered and approve the settlement voucher details submitted by CNA DO and also check that the saved Challan status is updated as "Interest Settled".

File No. No I-30001/1/2023-ITD-CGA/22
Ministry of Finance
Department of Expenditure
Controller General of Accounts
(PFMS Division)
GIFMIS Vertical

Dated: 18.04.2023

OFFICE MEMORANDUM

Subject: Procedure for remitting the interest earned on the unspent balance by Central Nodal Agency through Bharatkosh-PFMS.

The undersigned is directed to refer to the subject above and state that in pursuance of the OM No. 1(18)/PFMS/FCD/2021 dated 09-03-2022 issued by Department of Expenditure, Ministry of Finance, the functionality for remitting the interest by Central Nodal Agencies to Consolidated Fund of India (CFI) has been developed, tested and deployed on live server. As stipulated under para 3(viii) of the referred OM, the Standard Operating Procedure indicating the tasks to be performed by concerned stakeholders for depositing the interest through Bharatkosh is enclosed for reference.

A Standard Operating Procedure (SoP) as a user guide for the users has been compiled and the same is enclosed. It is kindly requested to arrange the circulation of necessary instructions, and the SoP among all agencies (CNAs) for the implementation of the said functionality.

For any clarification/query on payment-related issues, Bharatkosh helpdesk (phone no 24665534, email: ntrp-helpdesk@gov.in) may be contacted

This is issued with the approval of the Competent Authority.

(B Gopala Krishnakanth Raju)
Assistant Controller General of Accounts

Enclosure: As above

To

1. Financial Advisors of all Ministries/Departments
2. All Pr. CCAs/CCAs/CAs with independent charge

Copy to:

1. PPS to Controller General of Accounts, O/o CGA
2. PPS to Additional Secretary (PFS), DoE, MoF
3. Joint CGA (Roll out), PFMS with a request to circulate the user manual to all stakeholders.
4. Dy CGA (Roll out), PFMS
5. Sr AO (GIFMIS) for uploading on CGA's website

STANDARD OPERATING PROCEDURE FOR DEPOSIT OF INTEREST EARNED ON UNSPENT BALANCE BY CNAs THROUGH BHARATKOSH

Central Nodal Agency (CNA) model is the revised procedure for release, disbursement and monitoring of the Centre Sector (CS) wherein each scheme shall be implemented by a CNA having a Central Nodal Account notified by the Department of Expenditure, Ministry of Finance vide OM No 1(18)/PFMS/FCD/2021 dated 9.03.2022.

The interest accrued in the Central Nodal Account shall be deposited by the CNAs through the Bharatkosh using PFMS Login w.e.f xx-xx-xxxx. The steps to be followed by concerned stakeholders for depositing the interest earned on unspent balance are detailed as under:

(1) Program Division (PD) User

The PD user shall be responsible for mapping of the concerned PAO and DDO with the CNA scheme. The mapped PAO/DDO will be authorized to receive the interest earned on unspent balance, submitted by the CNA, in their account.

Mapping of PAO/DDO to CNA scheme

A new sub-menu "Map DDO to SNA/CNA Schemes" is available to PD user under the menu "My Schemes".

On selecting the sub-menu, user will navigate to the following screen:

User will select the Grant, scheme type – Centre Sector Scheme, scheme, PAO and DDO and click on the submit button.

On successful submission, the CNA scheme will be mapped to the selected PAO and DDO and will be displayed in the table.

Scheme Type	State	Scheme	Controller	PAO	DDO	Created By	Created Date	Edit
Estab annual Expenditure	BIHAR	Sanju	POWER	013455-PAO_Sect, Ministry of Power, New Delh	213439-APPELLATE TRIBUNAL FOR ELECTRICITY, NEW DELHI	adpai er	05 05 2022	
Centrally Sponsored Scheme	ANDHRA PRADESH	孙书	POWER	013455-PAO Sect, Ministry of Power, New Delh	213456-SECTION OFFICER MINISTRY OF ENERGY DEPTT OF POWER SHRAM SHAKTISHAWAN NEW DELHI	pdpower	16 05 2022	Edit
Centrally Sponsored Scheme	BIHAR	Sanjit	POWER	013455-PAO Sect, Ministry of Power, New Delh	213456 SECTION OFFICER MINISTRY OF ENERGY DEPTT OF POWER SHRAM SHAKTISHAWAN NEW DELHI	pdpower	16 05 2022	Edit
Centrally Sponsored Scheme	ARUNACHAL PRADESH	APP-R SUGAR SUBSIDY PAYABLE UNDER PDS 7043	POWER	013455-PAO Sect, Ministry of Power, New Delh	213439-AO CASH, CENTRAL ELECTRICITY REGULATORY COMMISSION NEW DELHI	pdpower	16 06 2022	Edit
Centrally Sponsored Scheme	ANDHRA PRADESH	सुगर सब्सिडी योजना	POWER	013455-PAO Sect, Ministry of Power, New Delh	213456-SECTION OFFICER MINISTRY OF ENERGY DEPTT OF POWER SHRAM SHAKTISHAWAN NEW DELHI	adpai er	30 05 2022	Edit
Centrally Sponsored Scheme	UTTAR PRADESH	TEST Drawing	POWER	013455-PAO Sect, Ministry of Power, New Delh	213459-APPELLATE TRIBUNAL FOR ELECTRICITY, NEW DELHI	adpower	01 06 2022	Edit
Centrally Sponsored Scheme	BIHAR	SNA Scheme for model one	POWER	010612-PAO CEA Bangalore	207341 assam Regional Air an Commerce	adpower	18 10 2022	Edit
Centrally Sponsored Scheme	BIHAR	SA322	POWER	013455-PAO Sect, Ministry of Power, New Delh	213439-APPELLATE TRIBUNAL FOR ELECTRICITY, NEW DELHI	adpower	30 11 2022	Edit
Centre Sector Scheme		H of Central Nodal Agency	POWER	012455-PAO Sect, Ministry of Power, New Delh	213439-APPELLATE TRIBUNAL FOR ELECTRICITY, NEW DELHI	adpower	23 03 2023	
Centre Sector Scheme		CNAScheme	POWER	013455-PAO Sect, Ministry of Power, New Delh	213459-APPELLATE TRIBUNAL FOR ELECTRICITY, NEW DELHI	pdpower	24 03 2023	Edit
Centre Sector Scheme		CNA Test ng Scheme	POWER	013455-PAO Sect, Ministry of Power, New Delh	213459-APPELLATE TRIBUNAL FOR ELECTRICITY, NEW DELHI	pdpower	24 03 2023	Edit
Centre Sector Scheme		TOSTB7452	POWER	013455-PAO Sect, Ministry of Power, New Delh	213459-APPELLATE TRIBUNAL FOR ELECTRICITY, NEW DELHI	pdpower	28 03 2023	Edit

Edit the existing mapping of PAO/DDO to CNA scheme

User will have an option to edit an existing mapping. User will select the Grant, scheme type – Centre Sector Scheme, scheme, PAO and DDO and click on the "search" button.

The PAO/DDO mapped to the scheme will be displayed. The user will click on the "edit" hyperlink to update the PAO / DDO details.

Central Sector Scheme		CNASScheme	POWER	013455-PAO(Sectt.), Ministry of Power, New Delhi	213459-APPELLATE TRIBUNAL FOR ELECTRICITY, NEW DELHI	pdpower	24/03/2023	Edit
Central Sector Scheme		CNA Testing Scheme	POWER	013455-PAO(Sectt.), Ministry of Power New Delhi	213459-APPELLATE TRIBUNAL FOR ELECTRICITY, NEW DELHI	pdpower	24/03/2023	Edit
Central Sector Scheme		TEST87452	POWER	013455-PAO(Sectt.), Ministry of Power, New Delhi	213459-APPELLATE TRIBUNAL FOR ELECTRICITY, NEW DELHI	pdpower	25/03/2023	Edit

(2) PAO User

The PAO user will be responsible for mapping of the purpose with the requisite function head and the DDO in whose books the amount will be adjusted.

Mapping of Purpose with function head

1. A new purpose – "Deposit of Interest on Unspent Balance – Controller Name" will be available to PAO user through the path: Bharatkosh → Manage Receipt Purpose.

2. The user will click on the "Ministry Purpose Mapping" hyperlink to map the function head and DDO against the schemes

3. All schemes that have been mapped by the concerned PD will appear under the dropdown "payment type" under the said purpose.

4. PAO will select the desired CNA scheme from the dropdown and map the requisite function head and DDO against the same.

5. Once the function head and DDO has been mapped, the purpose shall be approved by the Principal Accounts Office.

BharatKosh	Manage Receipt Purpose
Budget	
CAM Reports	Manage Payment Type
Finance Accounts	Bifurcation Rule Master
User Manuals	Manage Additional Charges

Function Head	PAO Name	DDO Name	Payment Type	Frequency	Currency	Login Required	Current Status	Mapping Action Item
1049301x3x3x20x0x169 BUILDING ADVANCES	PAY Section of Principal A. Gen	PEN TREAST P ADP EXPENDITURE DEN PALMS SECTION		1x3 Premium	EUR	N	Approved	Return

(3) CNA User – Agency DO & DA

The CNA user shall be responsible remittance of interest on unspent balances routed through Bharatkosh.

Remittance of interest on PFMS

1. The user shall transfer the interest earned on the unspent balance to the holding account pertaining to the scheme and mapped to the CNA. Once the interest has been transferred, a success acknowledgement will be shared by the bank.
2. Agency maker will login on PFMS and navigate to the menu My Funds → Deposit Interest Earned (SNA/CNA).

My Funds		Opening Balance
Transfers		Received from Central Govt
Advances		Received from Other Agency
Expenditures		Returned by Other Agency
Bank		Received from State Govt
Misc. Deduction Filing		
Utilisation Certificate		Investment Details
Accounting System Integration		Income from Other Sources
		Manage Returned Funds
		Transfer Deduction
		Deposit Interest Earned
		Manage Interest Earned

3. **Agency DO** will select the Scheme Type and scheme and click on the "Show Interest Amount in Holding Button".

Deposit Interest Earned on Unspent balance for SNA/CNA Schemes

Interest Earned In Scheme

Scheme Type : ' Central Sector Scheme ∨
Scheme : ' MA[Central Nodal Agency[3970] ∨

[Show Interest Amount in Holding]

4. The Pr.AO / Controller, PAO, DDO, function head, agency's holding account number, account holder's name, available interest amount, i.e., the interest amount to be transferred into the holding account from the bank

will be displayed in read-only mode.

5. On clicking the "Show Interest Voucher to Remit" button, the interest which has been transferred to the holding account will be displayed in form of a system generated voucher.

6. **Agency DO** will select the voucher(s) for the amount to be remitted using the checkbox against the voucher(s). Selection of multiple vouchers is allowed. The grand total of the amounts of the selected voucher(s) will be displayed.

Interest Voucher To Remit Details :-

Select	Voucher Number	Voucher Date	Interest Amount	Center Share
☑	TFR-2023-22-06	21.03.2023	6000.00	6000.00
☑	TFR-2022-22-46	31.03.2023	5000.00	5000.00
☐	TFR-2023-22-40	25.03.2023	6000.00	6000.00
☐	TFR-2022-23-45	27.03.2023	5000.00	5000.00

7. **Agency DO** will select the radio button for the desired mode of payment i.e "NEFT/RTGS" or "ONLINE PAYMENT" and click on the "submit" button. At present the remittance can only be made through the internet banking if the mode of payment selected is "online".

8. A pop pup message "Are you sure you want to transfer interest amount <amount> to <PrAO/ Controller><PAO><DDO>". Once the user has verified the details, they may click on the "Ok" button to continue with the payment. The entry will be saved and forwarded to agency checker user for approval.

training.pfms.gov.in says

Are you sure want to transfer interest Amount Rs 500 to Controller 001-AGRICULTUREPAO 000001-PAO(Sectt)-DDO200425-NATIONAL RAINFED AREA AUTHORITY.click ok to continue and cancel to go back

OK   Cancel

9. If **Agency DO** wishes to make any change, they may click on the "cancel" button and go back to make amends.

10. The entry submitted by the DO can be viewed through the path: My Funds → Manage Interest Earned (SNA/CNA).

11. User selects the scheme type and scheme and clicks on the search button. The entry will be visible in the table with status as "submitted".

12. **Agency DA** will login on PFMS and navigate to the menu "My Funds> Manage Interest Earned (SNA/CNA)"

13. **Agency DA** will select the Scheme Type and State and click on the "Search" button. The Remittance Details submitted by the Agency DO will be visible with status as "Submitted".

14. **Agency DA** will verify the remittance amount and payment mode, click on the scheme name (which appears as a hyperlink) and a pop-up "Approve/Reject Interest earned on unspent balance" will appear.

15. **Agency DA** will enter the remarks and click on the "Approve" button. On approval, a hyperlink "Remit Interest" would appear.

16. On clicking the hyperlink, **Agency DA** will be redirected to the confirmation page on Bharatkosh. If the details are found to be satisfactory, the user will click on the "confirm" button

17. If the selected mode of payment is online: on clicking the "confirm" button, they will be redirected to the payment gateway page

18. If the selected mode of payment is offline: on clicking the "confirm" button, a deposit slip will be available for download. The deposit slip will be valid for 15 days only, hence, the user is advised to complete the payment and update the UTR on PFMS within the stipulated time.

19. Sample deposit slip:

Settlement of Interest on PFMS

(a) FOR NEFT/RTGS MODE

1. **Agency DO** will login on to PFMS and navigate to the menu "Misc Deduction Filing → Deduction Settlement"

Misc. Deduction Filing	▷	Manage Deduction
Utilisation Certificate	▷	View Deduction Details
OLD UC	▷	Voucher Printing Tax Deduction
EAT MIS Process	▷	Deduction Settlement
My Funds	▷	

2. **Agency DO** will click on the "Interest Earned Settlement" radio button to view the details of the remittances made.

3. **Agency DO** will select scheme type, scheme name, bank account and the period for which the interest has been paid. On clicking the "Search" button, interest income with the status "Interest Settlement Pending" will be displayed.

4. **Agency DO** will enter the UTR under the column UTR number and submit the entry to the DA user.

5. **Agency DA** will log in on PFMS and navigate to the menu "Misc. Deduction Filing → Manage Settlement".

5. **Agency DA** will click on the radio button – "Interest Earned Settlement", select scheme type, scheme, enter the date range (based on the date on which the interest was transferred to the holding account). The entry submitted by the DO will be available

6. **Agency DA** will verify the entry, select the checkbox and click on the "submit" button if the entry is found to be correct. To return an entry to DO for correction, the user will click on "reject" button.

7. Once the entry is submitted by the DA user, the reconciliation is triggered. If UTR, amount & debit account number match, transaction status will be updated as "success". Once the transaction has been successfully accounted, the status will be updated as "Interest Settled".

8. In case of mismatch of either of the following attributes: UTR, amount, or debit account number do not match, the status will remain as "Pending".

9. **Agency DA** is advised to wait for three working days after submission of challan entry for UTR verification. If the status remains "pending" after a lapse of five working days, the user should write to ntrp-helpdesk@gov.in for assistance.

10. Agency DA will have the option to return the entry to Agency DO for correction of UTR (if applicable).

(b) FOR ONLINE MODE

1. In the case of online mode, the transaction status will be marked as "success" once the payment has been completed successfully. The status will be updated as "Interest Settled" post receipt of electronic scroll from the agency bank.

2. In case the transaction fails, the remit interest hyperlink will be available at DA user's login for remittance.

3. If a user's account is debited but the transaction status is "Failed", they are advised to wait for a period of 24 hours for an updated status i.e "Success" or "FailRef". In case of "FailRef", the amount will be credited back to the

user's account and "Remit Payment" hyperlink will be available at Agency DA for repayment.

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Annexure 5

Central Nodal Account Implementation

CNA User Manual

**Public Financial Management System,
Controller General of Accounts,
Department of Expenditure,
Ministry of Finance**

Version 1.3

Prepared By
Nidhi Popli
Business Analyst

PFMS

Revision and Signoff Sheet

A. Document Preparation

Author	Position	Version	Change reference	Date
Ms. Nidhi Popli	Business Analyst	1.0	Initial Implementation	17-Aug-2022
Ms. Nidhi Popli	Business Analyst	1.1	Addition of section 5 miscellaneous CNA functionality – section 5.1 Manage Scheme Hierarchy, Section 5.2 Bank change And Update adds new expenditure, New advance (sections3.9 & 3.10), and update the scheme registration screen for saving account. (section 3.4)	18-Oct-2022
Ms. Nidhi Popli	Business Analyst	1.2	Addition of the below sections: 1. section 3.1- Identifying CNA Schemes (added multiple CNAs option) 2. section 3.4.2- adding holding account by CNA agency 3. section 3.6.2 – child agency registered as ZBA 4. section 3.6.3 – child agency registered as PZBA 5. section 3.6.4 – child agency adding holding account 6. section 3.7 – Child agency creation by the Parent agency 7. section 4 (4.1 to 4.12) – Holding account 8. Section 5- DBT using CNA	15-Nov-2022
Ms. Nidhi Popli	Business Analyst	1.2	Based on GOI OM "Procedure for SNA/CNA bank Interest deposit through NTRP-reg." received on DATE: 03/03/2023, it is suggested that SNA\CNA agencies has to deposit the interest amount **only through NTRP**. DD/Challan or any other offline mode of interest deposit by CNA/SNA agencies shall not be accepted further. **FOR CNA – section 4.8 to 4.12 is under development and may not work in production**	16-Mar-2023
Ms. Nidhi Popli	Business Analyst	1.3	Functionality for remitting the interest by Central Nodal Agencies to Consolidated Fund of India (CFI) has been developed, tested, and deployed on a live server	19-Apr-2023

B. Technical Review

Name	Position	Version	Change reference	Date

102044/2023/PFMS_Silvassa

Mr. Nitesh	Sr. Tester	1.0	Initial Version	17-Aug-2022
Mr. Faiz	Scientist B	1.0	Initial version	17-Aug-2022
Mr. Abhishek	Project Manager	1.0	Initial Version	17-Aug-2022
Mr. Rajendra Prasad	Sr.TD, NIC PFMS	1.0	Initial version	17-Aug-2022
Mr. Faiz	Scientist B	1.1	Initial version	18-Oct-2022
Mr. Faiz	Scientist B	1.2	Initial version	15-Nov-2022

Changes implemented in latest (version 1.3)

Sl. No	Description
1	Section 4.8 to 4.12 – Remittance of interest earned through holding account

Table of Contents

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PFMS

1   Introduction

For better monitoring of availability and utilization of funds released under the Central Sector Schemes (CS) and to reduce float. The Department of Expenditure has modified the procedure for release of funds under central sector schemes; every Ministry / Department will designate a Central Nodal Agency (CNA) for implementing each Central sector Scheme.

This Document Shall be covering the transactional aspects of **Model 2.**

2   Brief on Process Flow

1) Marking as CNA Scheme - The Project cell user can mark any central scheme as "CNA" scheme. All the linked accounts in the scheme would be marked as not in use.
   The PD user can mark any central scheme which is mapped under him/her. Only the existing bank account would mark as not in use.

2) Marking Central Nodal Agency- Then PD user will mark the agency as Central Nodal Agency and define the bank. Parent and child Agencies need to register under the same Scheme with the defined bank.

3) The Central Nodal Agency will map the Central Nodal Account with the scheme.

4) After this process, child agencies will map either the Central Nodal Account\Zero Balance Account\Holding Account\PZBA

   a. If they will map the Central Nodal account, then the request will be first approved by the parent agency and then the Central Nodal Agency.

   b. If child agencies will use the Zero Balance Account, then it will be approved by the Parent Agency only.

   c. If they will map the Holding account, then the request will be approved by the Parent/funding agency.

   d. If child agencies will use the Parent Zero Balance Account, then it will be approved by the Parent Agency and then by the PD.

5) After that, the limit can be allocated by the PD/Parent based on the hierarchy created and expenditure can be made.

3   CNA Process Flow Steps

3.1   Identifying CNA Schemes

User: PFMS headquarter (root)

The User Navigates to "**Masters>Schemes>Manage CNA Schemes**" and the page "**Manage CNA Schemes**" opens.

Case: CNA Applicable

The user selects the Scheme Type as **Central Sector Scheme**, the Scheme name from the drop-down and whether Scheme is CNA Scheme or not by clicking on the radio buttons Yes or No.

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Upon Clicking "**Is CNA Scheme**" as "**Yes**", the system displays "**Multiple CNA**" option as "**Yes**" or "**No**"

On click of Multiple CNA as "**Yes**" and then the system displays "**Maximum CNA**" entry field. The Number enters will be the maximum number of CNA that can be opened in the scheme. The user enters the Maximum CNA entry and selects CNA Payment Model from the drop-down.

Then user clicks on "**Insert/Update**" button, a message "**Do you want to mark the selected scheme as CNA, Click Yes to continue, else No for cancel**"

After the user click on "**yes**" button, the scheme will be saved and message appears on screen "**Record (<scheme code>) has been inserted successfully**".

<u>**Note:**</u>

1. Upon marking scheme as "**CNA**" and selecting payment model as "**Model2**", **all the accounts in the scheme will be marked as Not in Use** and no expenditure can be made from these accounts.

2. If user enters three or more digits in maximum CNA field, then a message "**Cannot proceed further, maximum 99, CNA accounts allowed in a scheme**"

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3. In case the user want to reduce the number of CNA's in the scheme then the system verifies number of CNA mapped in the scheme. If the number of CNA already mapped in the Scheme is greater than the maximum number of CNA entered by the user a message "**Cannot proceed further, there are already [<Mapped CNA >], CNA mapped in the scheme**"

Case: CNA Not Applicable:

The user selects the Scheme Type as "**Central Sector Scheme**", Scheme from drop down list and choose Is CNA Scheme as "**No**" for CNA Not Applicable in scheme. The user selects "No" and the user has to select the "**Reason CNA is Not applicable**" from the dropdown list.

After selecting the appropriate reason for why CNA is not Applicable in scheme, the user will click on "**Insert/Update**" button for adding the reason.

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On success the message "**Record (<Scheme Code>) has been inserted successfully**"

Case: CNA Scheme is Exempt by DOE

The User Selects "**Is CNA Scheme**" as "**No**" and selects the reason CNA is not applicable as "**Exemption by DOE**", then user has to enter the exemption reason and the Date till which the Scheme will be exempted from CNA mode. The user then must upload the DOE exemption letter by Clicking on "**Choose File**" button and upload the same by clicking on "**Upload pdf file**" button and then click on "**Insert/update**" button.

Upon Clicking "**Insert/Update**", a message "**Record (<Scheme Code>) has been inserted successfully**" is shown to the user. In below manage scheme configuration grid, added details will be shown and the "**Exemption File**" can be downloaded by clicking on the hyperlink as shown in screen.

3.2 Identifying Central Nodal Agency

User: PD

The User Navigates to "**Agencies>Map Central Nodal Agency**" and the page "**Map Central Nodal Agency**" opens.

The user Selects the Scheme Name and Clicks on "**Search Scheme Mapping**" button to view existing CNA Mapped in the Scheme. The system Displays whether the Scheme is Multi CNA enabled or Not.

If **"No record found**" then the user enters the Agency Unique Code or Agency Name and clicks on "**Search Agency**" button. The System displays the Agency Details and the user Clicks on "Select" hyperlink to select the agency.

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The user selects the Bank from the list of suggestions displayed as Central Nodal Bank.

The User Clicks on "**Map CNA**" button to Save and map the Central Nodal Agency. A message "**Central Nodal Agency Mapped Successfully**" is shown to the user.

In case there are active accounts already added in CNA agency and CNA scheme then a message "**Are you sure, you want proceed, All accounts mapped in scheme will be marked as not in use, click on continue and cancel to go back**" will be shown to the user.

In case there are more than one Central Nodal Agency enabled for the Scheme. The User repeats the steps to map all the Central Nodal Agency's

3.3 Agency Hierarchy Mapping by PD

User: PD

The User Navigates to "**Agencies>Agency Mapping**" to Map the Agency in the Scheme at a Hierarchy level. The Page "**Scheme Fund Flow Hierarchy Opens**".

The User selects the State in which the Central Nodal Agency is to be mapped. The user then click on Hierarchy level to map the Central Nodal Agency at the selected hierarchy level.

User Enters the Unique code and click on search button, below grid show the details of agency

User needs to select the agency and click on "**Add agency**" button.

The pop-up message will appear for confirmation, by clicking on "**ok**" button Agency is mapped successfully.

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3.4   Scheme Registration

3.4.1   *Scheme Registration by CNA Agency*

<u>User: Agency Admin</u>

The User Navigates to "**My schemes>Register New scheme**" for Scheme registration. The Page "**Register New Scheme/Bank account**" page opens.

First the scheme should be selected then if Central Nodal Agency is registering Central Nodal Account then user will select "**I will receive funds directly from central government**".

The user will then click on "**Check CNA Details**" button, the system auto fills the CNA Bank name.

The User enters the bank branch details. The user then enters the "**Account number**" and the "**Agency Name As Per Bank**" and selects the scheme components and clicks on "**Save**" button.

Please Note: User should enter only <u>saving bank account</u> details.

After clicking on save button, pop-up message appear as "**New added scheme and account will be visible under manage scheme after next login into PFMS**", user need to click on "**Ok**" button.

A message "**Scheme Saved Successfully**" is shown to the user.

The new scheme will be shown under **Manage > Scheme** during the next login.
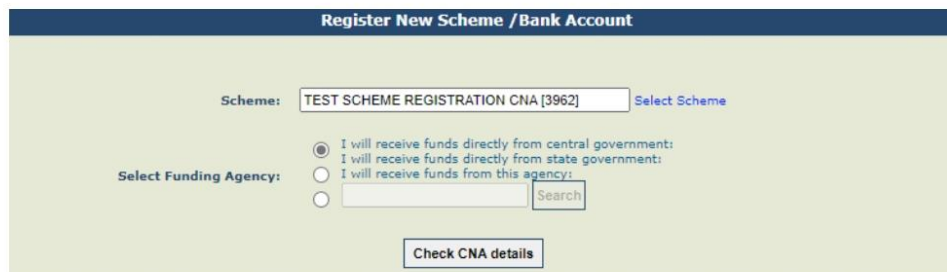
And it's shown as pending for approval in status as shown below.

3.4.2   *Adding Holding Account by CNA Agency*

User: Agency Admin

The User Navigates to "**My schemes>Register New scheme**" and the page "**Register New Scheme/Bank account**" opens.

On page "**Register New Scheme/Bank account**", the user selects the CNA enabled Scheme and enters the funding agency details.
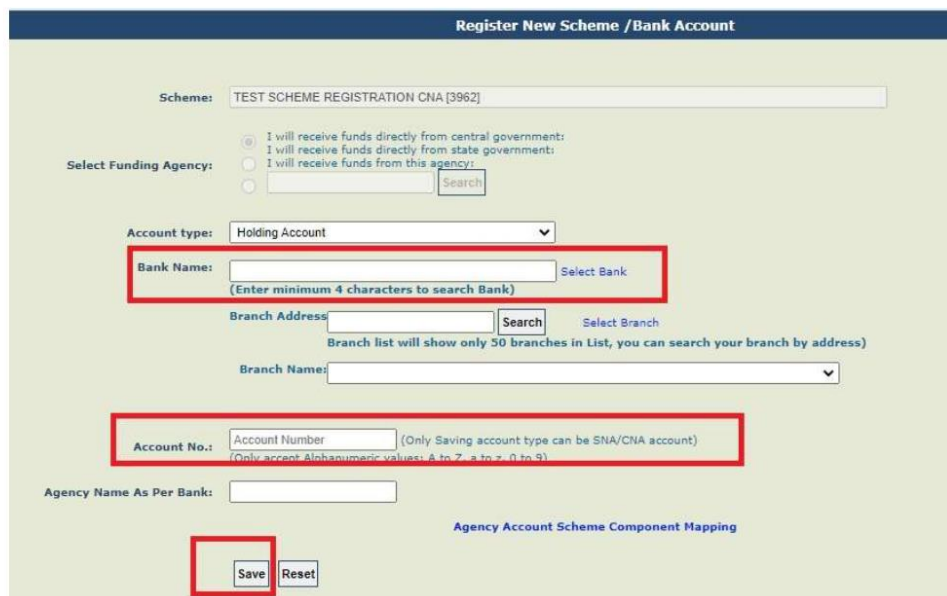
The user clicks on "**Check CNA details**" the system populates the CNA Bank and system displays

1) Central Nodal Account
2) Holding Account

As Holding Account can be added only after addition of CNA. The User Clicks on the Holding Account option and the system allows user to select the **bank branch details**, enter the holding **account number** and **Agency Name as per bank** and select at least one scheme component.

Upon Clicks "**Save**" button a message "**Holding Account Saved Successfully**" message is shown to the user.

Once the Holding account is added there is no change is in the approval process. The Holding account is validated from bank and then the PD will approve the holding account.

3.4.3 Scheme Bank Account Approval by PD

User: PD

The User Navigates to "**Agency>Approve**" for approving the Scheme registration. The Page "**Agency Registration Approval**" page opens.

User will enter agency unique code

The below grid pane shows the agency details

On clicking of Agency Name, the related schemes will be shown on the grid. User needs to select the scheme for approving.

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After the selection the user needs to click on the button "**Approve with DSC**" then confirmation message will appear on the screen, click "ok" to continue.

On successful signature the below message appears.

User can verify the status on the page "**Manage scheme**", the status now changed to "**Approved**".

3.5   Drawing Limits for CNA Agency by PD

User: PD

The User Navigates to the Menu "**Masters>Drawing Limit by PD/CNA**" and the Page "**Add / Update Drawing Limits by Central Nodal Agency**" page opens

The User need to select the Scheme, the Hierarchy level from the drop-down list box and mapped state. Hierarchy level to be selected for which the drawing limits needs to be carried out. The user clicks on "**Search**" button and the System display the Central Nodal Agency mapped at that level in the Scheme.

The system displays the "**Central Nodal Agency/Parent Agency**" the CS Scheme in the selected state. There are three sections "Allocation Limit", "Balance Limit" and "Update limits by Amount".

> a. The Allocation Limit section displays the already set limits for the Agency

> b. The Balance Limit section displays the Balance Expenditure and Balance Child Limit that can further be set by the Agency.

> c. The Update limits by Amount section allows user to enter the amount (+ or -) by which the user wants to update the amount.

The agencies mapped at the selected level will be displayed in the grid in below screen. The User need to enter the **Total Limit (+/-)** and the **Expenditure** Limit (+/-). The **Limit for Child Agencies** is auto calculated and non-editable.

The User need to click on "**Save**" button, to save the selected CNA Agency Drawing Limit.

3.6   Scheme Bank Account Registration by Child Agency

3.6.1   *Registration by Child Agency*

User: Agency Admin (Child)

The User Navigates to "**My schemes>Register New scheme**" for Scheme registration. The Page "**Register New Scheme/Bank account**" page opens.

If Child Agency is Registering Central Nodal Account then user will select "**I will receive funds directly from this Agency**". The user enters the Agency Unique Code and Clicks on "Search" button and selects the Funding Agency.

The user will select the funding agency name from the pop-up window.

The user will click on "**Check CNA Details**" button, the system auto fill the CNA Bank details. The user then selects "**Central Nodal Account**" option from account type.

The user selects the Central Nodal Agency and the selected Agency Account Number and its branch details are displayed below. The user enters the agency name as per bank and selects the scheme components and clicks on "**Save**" button.

A message "**Scheme Saved Successfully**" is Shown to the user with the pop-up message "**New Added scheme and account will be visible under manage scheme after next login into PFMS**".

And it's shown as pending for approval on manage scheme page.

3.6.2   Child Agency registered as ZBA

User: Agency Admin (Child)

The User Navigates to "**My schemes>Register New scheme**" for Scheme registration. The Page "**Register New Scheme/Bank account**" page opens.

If Child Agency is Registering Zero Balance Account then user will select "**Scheme**" and "**I will receive funds from this Agency**". The user enters the **Agency Unique Code** and Clicks on "**Search**" button and selects the **Funding Agency**.

The user Click on "**Check CNA Details**" button, the system auto fill the CNA Bank details. The user then selects "**Zero Balance subsidiary Account**" option.

The System now displays the Central Nodal Agency dropdown box "**Select Agency**". The user selects the Central Nodal Agency and system displays the bank of the selected Central Nodal Agency. The user then and enters the zero balance subsidiary account number and its branch details.

The user enters the agency name as per bank and selects the scheme components and clicks on "**Save**" button. A message "**Scheme Saved Successfully**" is Shown to the user.

3.6.3   Child Agency registered as PZBA

<u>**User: Agency Admin (Child)**</u>

The User Navigates to "**My schemes>Register New scheme**" for Scheme registration. The Page "**Register New Scheme/Bank account**" page opens.

The user selects the CNA enabled Scheme and enters the funding agency details. The user Clicks on "**Check CNA**" button and system displays drop down & user selects the "**Parent Zero Balance Subsidiary Account**".

The system auto populates the parent agency account details, along with Account Number, Bank, Branch Details, Agency name as per bank and is non editable. Then user selects the scheme components and click "**Save**" button to add Parent Zero balance Account in the Agency.

Upon Clicking '**Save**' a Message "**Parent Zero Balance Account added successfully**" is shown to user.

If the Funding Agency Account KYC is done, then Upon Clicking OK a Message "**Parent Zero Balance Account added successfully**" is shown to user

3.6.4 *Child Agency adding Holding Account*

User: Agency Admin (Child)

The User Navigates to "**My Schemes>Register New Scheme**" and the page "**Register New Scheme / Bank Account**" opens. The user selects the CNA enabled Scheme and enters the funding agency details.

The user clicks on "**Check CNA**" details the system populates the account type with below options:

1) Central Nodal Account
2) Zero Balance Account
3) Holding Account and
4) Parent Zero Balance Subsidiary Account

As Holding Account can be added only after addition of CNA or ZBA. The User selects the Holding Account option and the system allows user to select the bank branch details, enter the holding account number, agency name as per bank and select at least one scheme component.

Upon Clicking "**Save**" button a message "**Holding Account Saved Successfully**" message is shown to the user.

Once the Holding account is added there is no change is in the approval process. The Holding Account is validated from bank and then the Parent Agency will approve the Holding Account.

3.6.5   Scheme Bank Account Approval

User: Funding Agency /Parent agency

The User Navigates to "**Agency>Approve**" for approving the Scheme registration. The Page "**Agency Registration Approval**" page opens.

User will enter agency unique code, click on search.

PFMS

After Clicking on the **Agency Name hyperlink** visible on left side of grid in the above screen, agency details as below appears, where the current status showing as "Pending Agency Approval".

The user needs to select the scheme for approving.

The confirmation message will appear on the screen.

On success, the message appear as "**Bank Scheme approved successfully**"

Now it needs to be further approved by the CNA, as the Child Agency Status still showing as "**Pending CNA approval**"

User: Agency ADMIN of Central Nodal Agency

The User Navigates to "**Agency>Approve**" for approving the Scheme registration. The Page "**Agency Registration Approval**" page opens. User selects the status as "Pending CNA Approval"

Select the scheme showing on the grid having status "**Pending CNA approval**". User needs to select the scheme and click on "**Approve**" button.

Message "**Bank scheme approved successfully**" will appear on screen.

Verify the Child Agency status it's showing as "**Approved**"

3.7 Child Agency creation by Parent Agency (Agency admin)

<u>Scenarios#</u>

Case1: CNA agency is creating child Agency

1. If the self-agency account type is "CNA" then they can create only (CNA and CZBA) account types child agency.

2. In the Account Type dropdown list only CNA and CZBA account types shall be available for selection

Case2: Parent Agency having CZBA is creating child Agency

1. If the self-agency account type is "CZBA" then they can create only (CZBA and CPZBA) account types child agency

2. In the Account Type dropdown list only CZBA and CPZBA account types shall be available for selection

Case3: Parent Agency having CPZBA is creating child Agency

1. If the self-agency account type is "CPZBA" then they can create only (CZBA and CPZBA) account types child agency.

2. In the Account Type dropdown list only CZBA and CPZBA account types shall be available for selection

User: Agency Admin

The User Navigates to **Agency>Agency Registration**" and the page "**Agency Details**" opens

The user selects the type of registration, enters the Agency and office details, PAN number, TIN number , TAN number, GST number, the contact person details then click on next button to obtain the Unique agency code.

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PFMS

Enter the Scheme bank details and click on "Check SNA details" button.

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PFMS

Enter the scheme bank details, agency account number, its name as per branch and click on "Add Bank/Scheme"

Select "**I accept**" terms and condition and click on submit button.

Message "**Agency saved successfully with Unique code: ************ for further information contact the fund sanctioning authority in the central ministry**" appear on screen.

3.8 Drawing Limit of Child Agency by Parent Agency

User: Agency ADMIN of Parent Agency / Funding Agency

The User Navigates to the Menu "**Masters>Drawing Limit By PD/CNA**" and the Page "**Add / Update Drawing Limits by Central Nodal Agency**" page opens

1) The User need to select the Scheme, the Hierarchy level from the drop-down list box and state (in which agency mapped). Hierarchy level to be selected for which the drawing limits needs to be carried out. The user clicks on **"Search"** button and the System display the Agencies that have been mapped at that level in the Scheme.

2) The system displays the **"Central Nodal Agency/Parent Agency"** it's Central Nodal Account Number for the Scheme in the selected state. There are three sections "Allocation Limit", "Balance Limit" and "Update limits by Amount".

  a. The Allocation Limit section displays the already set limits for the Agency

  b. The Balance Limit section displays the Balance Expenditure and Balance Child Limit that can further be set by the Agency.

  c. The Update limits by Amount section allows user to enter the amount (+ or -) by which the user wants to update the amount.

3) The agencies mapped at the selected level will be displayed in the grid in below screen. The User need to enter the **Total Limit (+/-)** and the **Expenditure** Limit (+/-). The **Limit for Child Agencies** is auto calculated and non-editable.

4) The User need to click on "**Save**" button, to save the selected Agency Drawing Limit.

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Note: *In case of more than once Child Agencies the user needs to save each Agencies Limits one by one.*

Note: *In case a parent agency is carrying out allocation for its child agency then in logged in Agencies limits will be displayed.*

3.9   Add New Expenditure entry by Agencies

User: Agency Maker

The User Navigates to **Expenditure>Add New** and the page "**Create Expenditure Details**" opens

Please note: Add new Expenditure process is same as earlier, only the "**Agency Account Choice**" option is added on this page (as highlighted in screen).

User need to choose 'scheme' , enter the details for fields 'expenditure done for', 'vendor' by selecting from hyperlink, 'Letter/Office Order No.', 'sanction date', 'total amount', 'narration' (it should be valid and contains only alpha-numeric), 'scheme components', 'expense type' and 'percentage' then click on "Add" button for adding the components.

After adding all the details click on "**Save**" button.

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On successful, the below success message appears on screen.

3.10 Add New Advance entry by Agencies

User: Agency Maker

The User Navigates to **Advances>Add New** and the page "**Create Funds Advance**" opens
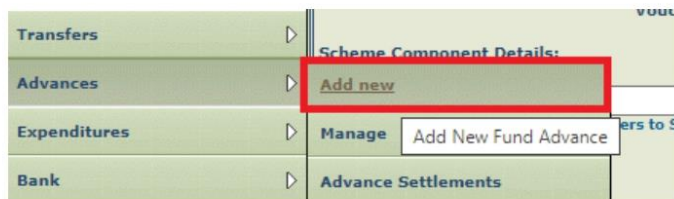
Please note: Add new advance process is same as earlier, only the "**Agency Account Choice**" option is added on this page (as highlighted in screen).

User need to choose 'scheme' , enter the details for fields 'vendor/beneficiary' by selecting from hyperlink, 'Letter/Office Order No.', 'sanction date', 'actual transcation date', 'advance amount', 'narration' (it should be valid and contains only alpha-numeric), 'scheme components', and 'percentage' then click on "Add" button for adding the components.

After adding all the details click on "S**ave"** button.

On successful, the below success message appears on screen.

3.11 Bulk Customization using Excel by Agencies

User: Agency Maker

The User Navigates to **Masters>Bulk Customization>Bulk Customization using Excel** and the page "**Bulk Customization using Excel**" opens

Please note:

1. Bulk Customization using excel process is same as earlier, only the **"Agency Account Choice"** option is added on this page (as highlighted in screen).

2. In CNA case the balance would be deducted after approval.

If the scheme is central sector scheme and CNA marked for model 2 then Agency account choice option will appear to user as below.

Case: Module is "**Expenditure**"

Case: Module is "**Advance**"

Case: Module is "**Transfer**"

Transfer transcations are not allowed in CNA

4 Holding Account

4.1 Funds Transfer to Holding Account: Tax/ Other Deductions

User: Agency Maker

The User Navigates to "**Misc. Deduction Filing>Funds Transfer to Holding Account**" and the page "**Funds transfer to holding account**" opens

The user has to select the Scheme Type, Scheme, deduction type and Sanction Number clicks on "**Search**" button. (If user selects sanction number, date should be auto filled on **from** and **To** Date). The user can also search using from date and to date duration, however the user has to ensure actual transaction date should fall between from date and to date.

The System displays the only those Sanctions that have been already paid in the system and payment confirmation have been received from bank.

The user now selects the sanctions for which the deduction amount is to be transferred to holding Account and clicks on "**Transfer to Holding Account**" button.

The System now displays the "**Transfer to Holding Account**" section. The scheme account are shown in the **From Account** and the holding account (**To Account**) of the agency which is also non editable.

The System auto fills the Transferring amount and by default the transfer & actual transfer date are shown as today's date. The user enters the Narration for passbook and clicks on "**Transfer**" button.

The system now displays the Payment details section.

The user can transfer funds using E-Payment Using Print payment Advice or E-Payment Using Digital Signature.

The System displays a popup confirming the transfer as shown below
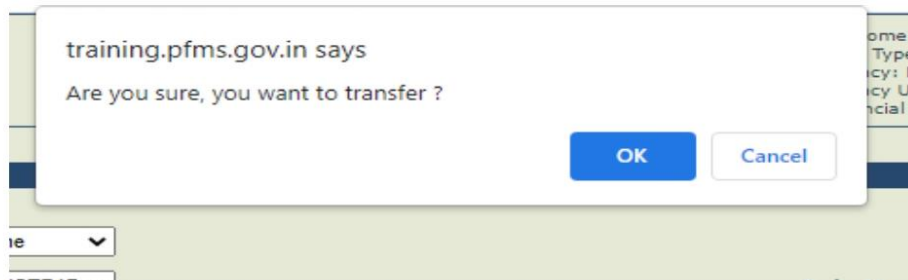
Upon Clicking "OK" button, the System displays a message "The Voucher has been Submitted Successfully"

4.2 View Funds Transfer to Holding account (Statuary deductions)

User: Agency Maker

The User Navigates to "**Misc. Deduction Filing>View Statuary Deductions**" and the page "**View Statutory Deduction Details**" page opens
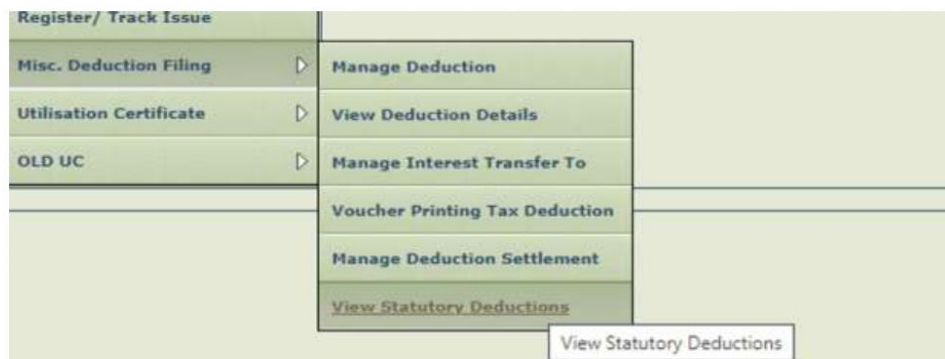
On selection of appropriate status for selected scheme type and scheme, the user can view the voucher details.

4.3 Statuary Deduction Approval

User: Agency Checker

The User Navigates to "**Misc. Deduction Filing>View Statutory Deduction**" and the page "**View Statutory Deduction Details**" Page opens.

On selection of particular scheme and scheme type, the user can view the voucher details. The user selects the voucher having Status as "**Submitted**". And clicks on "**Approve / Reject button**" to Approve the voucher.

The System displays a pop up and the user can click on "**Approve**" or "**Reject**" button and enter the remarks accordingly. The user can click on "Cancel" button to go back.

4.4 Statuary Deduction Reversal

User: Agency Maker

The User Navigates to "**Misc. Deduction Filing>View Statuary Deductions**" and the page "**View Statutory Deduction Details**" page opens

User selects the scheme type, scheme and status as "**Approved**" click on search button

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If the user selects an approved voucher the list of approved vouchers visible on the grid. Based on voucher selection user is able to reverse the voucher by clicking on reversal button.

Select the payment mode, add on the remarks and click on submit reveral.

A message "The Reversal Request has been submitted successfully with voucher number"

User can verify the selecting the status as "Reversal submitted".

User: Agency Checker

The user can approve the Reversal by choosing the status "**Reversal submitted**", the list of vouchers submitted visible in the grid and by checking the appropriate voucher number the user can Approve\Reject reversal.

Add remarks while approving the reversal.

Message "**Reversal request has been approved successfully**" appear on screen.

User can print the payment advice by choosing the status as "**Reversal Approved**"

4.5   Deduction Settlement (Tax/other deduction)

User: Agency Maker

The User Navigates to "**Misc. Deduction Filing>Deduction Settlement**" and the page "**Deduction Settlement**" opens.

The Tax deduction Settlement radio button is auto selected

The user selects the

1) Scheme Type (Mandatory)
2) Scheme (Mandatory)
3) Module Name (Mandatory)
4) From Date and to Date (M)(To date will be From Date+7 days) No need to select To date
5) Sanction Number (Mandatory),

6) Deduction Type – Non Mandatory
7) Status

and Clicks on "**Search**" button.

The user selects the sanction and the system displays "**Add Challan Details**" button.

The system displays the Challan Details section and the User has to enter/select the following details

1. Challan Number (Mandatory)
2. Challan Amount (Mandatory)
3. Payee (Mandatory)
4. Payment Date (Mandatory)

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5. Payment Mode (Mandatory)
6. Instrument Number (Mandatory)
7. Instrument Date (Mandatory)
8. UTR No (Mandatory)
9. UTR Date (Mandatory)
10. Payment Nature

Once the details are entered the user Clicks on "**Add Challan Details**" button and a message "**Challan details saved successfully**" is shown to the user.

This Challan details request shall be in "**created**" state and the same needs to be submitted by the agency maker.

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The Agency Checker needs to approve the saved challan details and then the Status is updated as "**Tax Settled**".

4.6 Manage Deduction Settlement (Tax/other deduction)

User: Agency Checker

The User Navigates to "**Misc. Deduction Filing>Manage Deduction Settlement**" and the page "**Manage Deduction Settlement**" opens.
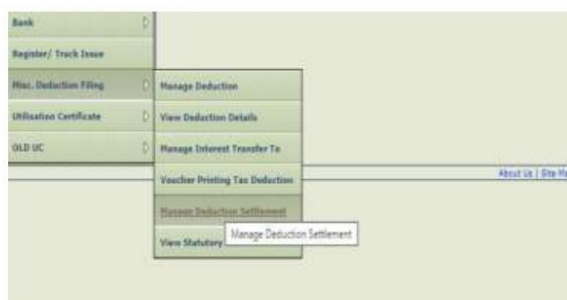
The Tax deduction Settlement radio button is auto selected and the user selects the Scheme type, scheme, Module name, From Date, To Date, Deduction Type, Status and Clicks on "**Search**" button.

The System Displays the Voucher Details, along with the Deduction Type, Deduction Amount, CIN, Challan Amount, Payee, Payment Date, Payment Mode, Approver Remarks and Status.

Select	Voucher Number	Deduction Type	Amount	Created Date	CIN	Deduction Amount	Challan Amount	Payee	Payment Date	Payment Mode	Instrument Number	Instrument Date	UTR No	UTR Date	Payment Nature	Status	Rem
☐	BP-2022-23-160	TDS	15.00	10/10/2022	10OCT2022	1.00	1.00	AJAY	10/10/2022	Cheque						DeductionSubmitted	
☐	BP-2022-23-159	EPF	16.00	10/10/2022	TEST10	2.00	2.00	DemoTEST	10/10/2022	Cheque	TESTINS	10/10/2022	RT89	10/10/2022	Offline	DeductionSubmitted	

The user selects "**Voucher Number**", the system displays a pop up for entering the remarks and the user can click on "**Approve**" or "**Reject**" button accordingly.

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Upon Approval the Status is updated as "Approved".

Upon Rejection the Status is updated as "Rejected".

The user can click on "Cancel" button to go back.

4.7 Interest Earned Transfer to Holding Account

User: Agency Maker

The User Navigates to "**Misc. Deduction Filing> Interest transfer to Holding**" and the page "**Interest transfer to holding account**" opens

The system displays the following fields on 'Interest Transfer to holding' page

1. Scheme type
2. Scheme

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3. Bank Account
4. From Date
5. To Date

The user enters from & to duration and clicks on "**Search**" button. The system displays the interest earned in the bank account, for the selected duration that has not yet transferred into the holding account.

The user selects the interest amount that needs to be transferred and Clicks on "**Transfer to Holding Account**" button.

The System now displays the Transfer to holding account section.

From Account and the holding account of the agency **is shown** in To Account. The System auto fills the Transferring amount and by default the transfer & actual transfer date are shown as today's date. The user enters the Narration for passbook and clicks on "**Transfer**" button. The system now displays the Payment details section.

The System now displays the Payment Details and the User selects the payment Mode and Clicks on "**Transfer**" button.

Message appear "**The transaction details has been successfully with voucher number**"

After clicking "OK" the System displays a message confirming that Voucher Number has been saved successfully.

There is no change foreseen in the voucher Approval process. The Agency Checker will Approve the Voucher from "**Misc. Deduction Filing>View Statutory Deduction**" by Applying his Digital Signature or PPA as the case may be.

User: Agency checker

User will approve/reject the voucher by selecting the status as "**submitted**" for the selected scheme Type and Scheme.

User will enter the remarks for selected voucher while approving /rejecting.

On successful approving, message "**Request has been approved successfully**" shown to user.

User verify the same voucher now appearing "**Approved**" status.

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Based on GOI OM "Procedure for SNA/CNA bank Interest deposit through NTRP-reg." received on DATE: 03/03/2023, it is suggested that SNA\CNA agencies has to deposit the interest amount **only through NTRP**. DD/Challan or any other offline mode of interest deposit by CNA/SNA agencies shall not be accepted further.

User: PD

A new sub-menu "**Map DDO to SNA/CNA Schemes**" has been made available to PD user under the menu "**My Schemes**".

On selecting the sub-menu, user will navigate to the following screen

User will select the Grant, scheme type- centre sector scheme, scheme, PAO and DDO and click on the submit button.

On successful submission, the CNA scheme will be mapped to the selected PAO and DDO and will be displayed in the table.

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Edit the Existing Mapping of PAO\DDO to CNA Scheme

User will have an option to edit an existing mapping. User will select the Grant, scheme type – Centre Sector Scheme, scheme, PAO and DDO and click on the "search" button.

The PAO/DDO mapped to the scheme will be displayed. The user will click on the "edit" hyperlink to update the PAO / DDO details.

User: PAO

The PAO user will be responsible for mapping of the purpose with the requisite functional head and the DDO in whose books the amount will be adjusted.

Mapping of Purpose with function head

1. A new purpose – **"Deposit of Interest on Unspent Balance by SNA – Controller Name"** will be available to PAO user through the path: Bharatkosh -> Manage Receipt Purpose.

The **Manage Bharatkosh Purpose/Account** page appears

2. The user will click on the "Ministry Purpose Mapping" hyperlink to map the function head and DDO against the schemes

3. All schemes that have been mapped by the concerned PD will appear under the dropdown "payment type" under the said purpose.

4. PAO will select the desired CNA scheme from the dropdown and map the requisite function head and DDO against the same.

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5. Once the function head and DDO has been mapped, the purpose shall be approved by the Principal Accounts Office.

4.9   CNA/SNA Remittance of Interest earned on Unspent balances

Remittance of interest on PFMS

The user shall transfer the interest earned on the unspent balance to the holding account pertaining to the scheme and mapped to the CNA. Once the interest has been transferred, a success acknowledgement will be shared by the bank.

User: Agency Maker

The User Navigates to "**My Funds > Deposit Interest Earned**" and the page "**Deposit Interest Earned (SNA/CNA).**" opens

On navigating to the sub-menu, the following screen will be displayed

Agency DO will select the Scheme Type and Scheme and click on the "**Show Interest Amount in Holding Button**".

Case1: If DDO mapping not done for scheme, it will show the message and will not show the interest amount in the Holding Account.

Case2: If DDO mapping is there then only it will allow to show interest amount in Holding Account and show the records for the same.

The system displays the Pr.AO / Controller, PAO, DDO that were mapped earlier by the concerned ministry program division User, along with the mapped purpose of payment, Functional Head, agency's holding account number, account holder's name, available interest amount etc. all will be displayed in read-only mode.

In Remittance detail section. The Agency Holding Account Number and the Account holder's Name are shown along with the "Available interest amount", i.e., the interest amount transferred into the holding account from bank.

The Centre State Ratio of the State Linked Scheme is shown as Centre Share % and State Share %. The Centre/State Share amount is displayed based on the calculation as per scheme ratio.

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The user clicks on "**Show Interest Vouchers to Remit**" button and the system displays the Voucher details.

The Voucher details- Voucher number, Voucher Date and Interest Amount, center share will be displayed to user.

Upon selecting the voucher, user will enter the amount to be remitted and will select the desired payment mode radio button - "NEFT/RTGS" or "ONLINE PAYMENT" and click on the "submit" button.

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Please note: The user can select one or more voucher number and the system shows the sum of Centre share amount and displays in the Remit Central Amount.

A pop pup message "**Are you sure you want to transfer interest amount <amount> to <PrAO/ Controller><PAO><DDO>, Click ok to continue and cancel to go back**" is shown to the user.

Upon Clicking "**OK**" a message "**Record Submitted Successfully**" is shown to the user.

The Status is now submitted.

4.10   Manage Deposit of Interest earned on unspent balance

Note: After the approval, the following activities need to be done by the user:-

1. User will generate the challan / make payment as per the mode selected by the agency maker.
2. After making the payment user will settle the remitted amount using the PFMS settlement option.
3. Once settled the "**Remit Interest**" hyperlink will be disabled.
4. BharatKosh will fetch this settlement data (UTR No) to update their records

User: Agency Checker

The User Navigates to "**My Funds>Manage Interest Earned (SNA/CNA)**" and the page "**Manage Interest Earned on Unspent balance for SNA/CNA Schemes**" opens

The user selects the Scheme type, Scheme and Clicks on "**Search**" button.

The Remittance Details submitted by the Agency Maker is shown to the user with status as "**Submitted**". The agency checker verifies the remit amount and the payment mode and clicks on **Scheme Name** and a popup "**Approve/Reject Interest earned on unspent balance**" is shown to the user.

To Approve the entry the user enters the remarks and Clicks on "**Approve**" button. A message "**Record Approved Successfully**" is shown to the user.

Once approved, the hyperlink "**Remit Interest**" would be visible to the user.

On clicking the "**Remit Interest**" hyperlink, Agency DA will be redirected to the confirmation page on Bharatkosh, If the details are found to be satisfactory, the user will click on the "confirm" button

CASE: NEFT/RTGS Payment mode (offline)

On clicking the "confirm" button, a deposit slip will be available for download. The deposit slip will be valid for 15 days only, hence, the user is advised to complete the payment and update the UTR on PFMS within the stipulated time.

SAMPLE deposit slip

The Bank account number, bank name and IFSC code displayed on the deposit slip were pushed from PFMS to Bharatkosh and it is same as that of the registered holding account of the CNA on PFMS.

CASE: Online Payment mode (Internet banking)

In case of "online" mode of payment, the user would click on the confirm button and will be redirected to the payment gateway page.

User select Net banking tab, choose the bank name to make the payment and then it will redirect to bank internet banking page.

In the case of online mode, the transaction status will be marked as "**Success**" once the payment has been completed successfully. The status will be updated as "**Interest Settled**" post receipt of electronic scroll from the agency bank.

Review the status of Remittance request submitted by Agency Maker

Agency Checker can review the status of remittance request submitted to Agency Maker by navigating through My Funds > Manage Interest Earned (SNA/CNA). Select the "**scheme type**" and "**scheme**" from the page **Deposit Interest Earned on Unspent balance for SNA/CNA scheme** then click on button "show interest amount in Holding Account".

Agency DO can view the status of all the requests as displayed in the table.

4.11   Interest Earned Settlement to holding account

User: Agency Maker

The User Navigates to "**Misc. Deduction Filing> Deduction Settlement**" and the page "**Deduction Settlement**" opens

The Tax deduction Settlement radio button is auto selected and user clicks on "**Interest Earned Settlement**" radio button and the system displays the following fields which user has to enter

1. Scheme Type
2. Scheme
3. Bank Account (Holding Bank Account)
4. From Date

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5. To Date
6. Status

And click on search button.

The user selects the deduction details and enter the following details about the Challan[s]

1. CIN (Challan identification Number
2. Challan Amount
3. Payee
4. Payment Mode [Cheque, DD, RTGS etc.]
5. Payment Date

Please note: the challan fields get auto filled by success of Bharatkosh portal.

After filling all the details click on button "**Save Challan Details**".

4.12   Manage Deduction Settlement (Interest earned)

User: Agency Checker

The User Navigates to "**Misc. Deduction Filing>Manage Deduction Settlement**" and the page "**Manage Deduction Settlement**" opens.

Bank	▷	
Register/ Track Issue		
Misc. Deduction Filing	▷	Manage Deduction
Utilisation Certificate	▷	View Deduction Details
OLD UC	▷	Manage Interest Transfer To
		Voucher Printing Tax Deduction
		Manage Deduction Settlement
		View Statutory
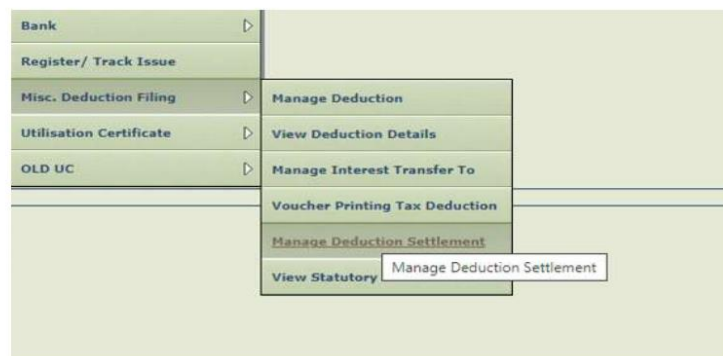
The user Clicks on Interest Earned Settlement radio button and selects the Scheme, Scheme Type, Bank account, Status, From Date, To Date, Challan type,and Status and Clicks on "**Search**" button.

The System Displays the Voucher Details, along with the Interest Amount, Remarks and the Central Challan Details.

The system displays vouchers based on status selection, the user verifies the details entered and clicks on "**Approve / Reject**" button to approve the voucher

The System displays a pop up and the user can click on "**Approve**" or "**Reject**" button and enter the remarks accordingly. Upon Approval the Status is updated as "**InterestSettled**". The user can click on "**Cancel**" button to go back.

Verify the Interest approved recently by selecting the status **"Interest Approved"**

- Once the entry is submitted by the DA user, the reconciliation is triggered. If UTR, amount & debit account number match, transaction status will be updated as "success". Once the transaction has been successfully accounted, the status will be updated as "Interest Settled".
- In case of mismatch of either of the following attributes: UTR, amount, or debit account number do not match, the status will remain as "Pending".
- Agency DA is advised to wait for three working days after submission of challan entry for UTR verification. If the status remains "pending" after a lapse of five working days, the user should write to ntrp-helpdesk@gov.in for assistance.

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- Agency DA will have the option to return the entry to Agency DO for correction of UTR (if applicable).

FOR ONLINE MODE

- In the case of online mode, the transaction status will be marked as "success" once the payment has been completed successfully. The status will be updated as "Interest Settled" post receipt of electronic scroll from the agency bank.
- In case the transaction fails, the remit interest hyperlink will be available at DA user's login for remittance.
- If a user's account is debited but the transaction status is "Failed", they are advised to wait for a period of 24 hours for an updated status i.e "Success" or "FailRef". In case of "FailRef", the amount will be credited back to the user's account and "Remit Payment" hyperlink will be available at Agency DA for repayment.

5   Agency Carrying out DBT using Central Nodal Account

5.1   Initiating DBT Payments

User can initiate a DBT payment for any CNA marked scheme. The system checks the allocation limit set for the CNA scheme while making and approving the DBT payments. Also system updates the agency fund balance while approving the DBT payments.

User: Agency Maker

The Agency Maker user navigates to the Menu "**E-Payment>Initiate Payments**" and the page "**Payment process**" opens

Home		
E-Payment ▷	**Download Benef. for Payment**	
Reports	**Initiate Payments**	
My Details ▷	**Aadhaar Based Payment** ▷	ummary of Agency according to status and type. T
Masters ▷	**Print Payment Advice**	ency in a status, Click on the corresponding status
My Schemes ▷	**Account Based Payment** ▷	
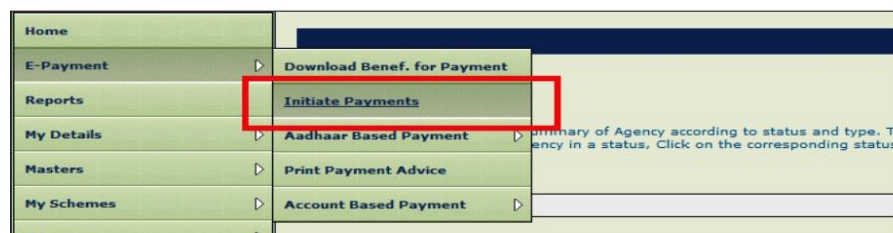
The User Selects the "**Self-account/SNA/CNA Account**" option and selects the **Scheme & Beneficiary Type**, enters the **Payment Period** and **Office Order** Details, and Clicks on "**NEXT**" button.

The "**Payment process Search**" page opens. The User selects the **Purpose of payment** and **Caste Category**, and clicks on "**Next/Show Beneficiary**" button. The payment process Search opens

The User can enter the Centre and State Share to be paid against a beneficiary and Click on "**Add Beneficiary to Payment List**" button.

The Verification of Beneficiary page Opens, after user verifying the Beneficiary details and the Amount user clicks on "**Submit for Approval**" button.

In case single beneficiary required to submit for approval, remove others by clicking on (X) delete button then click on "**submit for approval**"

The Centre / State Bifurcation Page opens. The user clicks on the "**Print Voucher**" print the voucher to be attached for Submission to Agency Checker user.

5.2 Approve DBT Payment

User: Agency Checker

The user navigates to the Menu "**E-Payment>Approve Payment**" and the page "**E-Payment Approval**" opens

The user select the **Scheme** and the **Beneficiary type** and the User Selects the **Payment Batch status** having Status as "**pending for approval**".

The Page "**E-Payment approval**" opens, it displays the reference number, no. of beneficiary, total transaction amount, payment period, created date and status.

User clicks on the reference number to view the E-payment voucher detail.

User verifies the E-payment voucher detail, the **Parent Agency Account Number** and the **Total Available Account balance in the parent Agency Account** are shown. The System Displays the Mode of Payments that are available with the Parent Agency. The User selects a **Mode of Payment** and Clicks on "**Approve**" button to approve the payment.

On success approval, the highlighted message appears.

6   Miscellaneous CNA Functionality

The following CNA functionality is to be used by a user based on the requirement, these should not be considered as a part of CNA process flow.

6.1   Manage Scheme hierarchy by PD

User: PD

Please note:

- In case PD User logs in the user displays only the Central Schemes of the Controller in which the PD is created.

The user Navigates to "**My Schemes>Scheme Hierarchy>Manage Scheme Hierarchy**" and the page "**Manage Scheme Hierarchy**" opens.

The System Displays the Scheme Code/Name drop down list, the System Displays the Schemes as the logged in user Type. The User then selects the Scheme for which the Scheme Hierarchy is to be managed and clicks on "**Search**" button to view the Scheme Hierarchy.

The System displays the Scheme Hierarchy Name and upon clicking the Scheme Hierarchy hyperlink the System displays the Hierarchy levels.

Adding Levels

The user can add the hierarchy levels by clicking on the "**Add**" button before or after the levels presented on the screen. To add a new Level the user will select the Location and enter the Level Name then click on save button.

Like in the below screen user wants to add "**between**" just after the district, then on clicking of "**Add**" button, level3 added and it will prompt for entering the location & level name. After that click on "Save" button, a message appear on screen "**Hierarchy Level Added successfully**"

The User will then click on "**Save Scheme Hierarchy**" button to save the all Levels created.

Note: Please ensure the between level should be added in between two hierarchy levels.

Editing Levels

The user can edit the hierarchy level name by clicking on the "Edit" button given adjacent to the Level name.

The user then clicks on "**Save Scheme Hierarchy**" level button to save all the changes made in the Scheme Hierarchy.

Deleting Levels

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Scenario 1*:* Deleting the entire hierarchy structure by clicking on button "**Delete Existing Hierarchy**". The user can delete all levels by clicking on "**Delete Existing Hierarchy**" button available on the screen. This action will remove the entire hierarchy structure that falls under the scheme.

A pop message is shown "**Are you sure, you want to delete existing scheme hierarchy, Click ok to continue and cancel to go back**"

The user Clicks on "ok" button a message is shown to the user "**Are you sure, Entire hierarchy will be deleted including any state wise customizations, all mapped Agencies will be unmapped, Click ok to continue and cancel to go back**""

The user clicks on "ok" button and a message "**Your Hierarchy deletion request has been scheduled successfully and will be completed by an Hour, You may login after sometime to create new hierarchy.**"

Scenario 2: Deleting the specific levels by clicking on button "**Delete Existing Hierarchy**"

To delete the Level Name the User Clicks on "X" in front of the Level Name. As in below screen, user wants to delete level 4 "between" then user will click on button "X" adjacent to level name.

The System confirms the user whether he/she wants to delete the Level.

Upon clicking the "OK" button the level will be deleted, Provided the case:

- User is authorized to delete the Level
- No Agency is mapped at the level.
- Order of deletion should be bottom to top.

On success, the message "**level deleted successfully**" show to user.

PFMS

Otherwise, message **"Level cannot be deleted! Because agency mapping or customization has been done for this hierarchy"** is shown to the user.

Scenario 3:

If the user tries to delete any random level then it will show the message "**Level cannot be deleted (Delete Bottom to Top order)!**" Like in the below screen, for deleting "Tehsil" the bottom-level hierarchy should be deleted first.

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6.2 Bank Change

User: Root

The user Navigate to the menu "**My Schemes>Change CNA Bank**" and the page "**Change Central Nodal Agency Bank**" opens
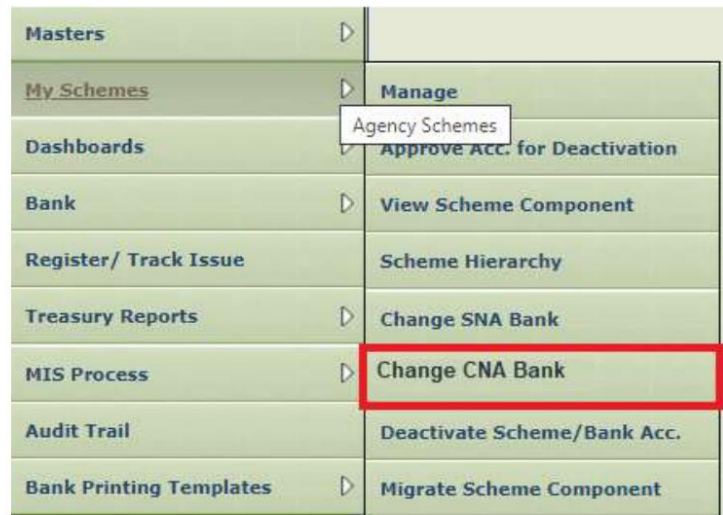
The User Selects the CNA enable Scheme and the agency whose Bank needs to be changed.

The System automatically displays the CNA Scheme, State, Hierarchy Level, Central Nodal Agency, Central Nodal Bank, Central Nodal Account and Central Nodal Account balance.

The User Selects clicks on "Allow CNA Bank Change" button and a pop up message "Are you sure, you want to change the CNA Bank, click OK to continue and Cancel to exit" is shown to user.

In case there are any voucher[s] in pipeline that are not yet acted upon, then a message "Unapproved Payment[s]/Voucher[s] found, are you sure you want to reject these voucher[s], Click ok to reject these voucher[s] and change the CNA Bank or click cancel to exit" is shown to the user.
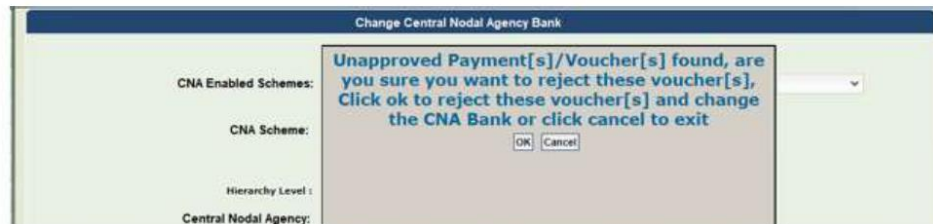
Upon Clicking "OK" a message "All accounts in the scheme are marked as not in use, the Program Division (PD) user can now change the Central Nodal Agency Bank" is shown to the user.
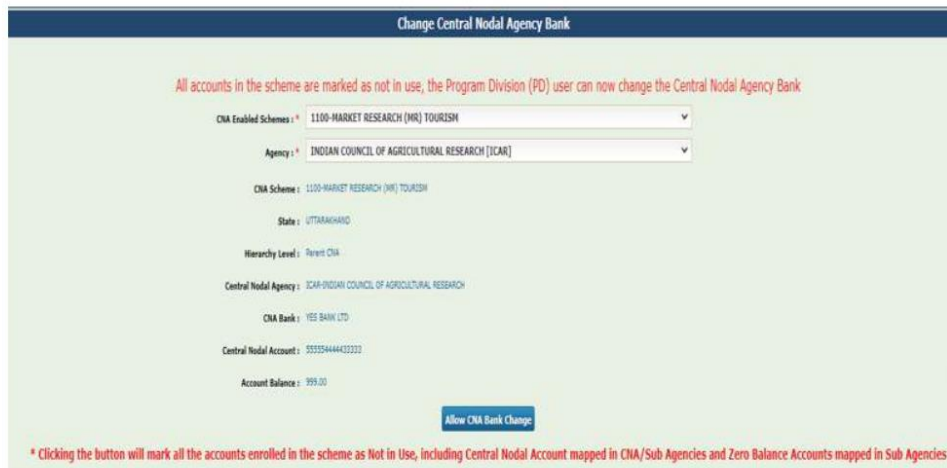
Upon Clicking "Cancel" the user exits.

User: PD

Pre-requites: The root user has allowed the CNA Bank to be changed for a particular CS Scheme

The User Navigates to "**Agencies>Map Central Nodal Agency**" and the page "**Map Central Nodal Agency**" opens.

The user Selects the CNA Scheme and Clicks on "Search Scheme Mapping" button. The System displays the CNA Agencies Mapped in the Scheme and displays whether Multiple CNA are allowed in the Scheme or not.

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Search the agency by entering the agency unique code or agency name. Select the agency name by clicking on the check box, enter the bank name that user want to switch and then click on "Map CNA" button.

The confirmation screen pops on the screen "Are you sure want proceed, All accounts mapped in scheme will be marked as not in use, click ok to continue and cancel to go back".

Upon Clicking "OK" a message "Central Nodal Agency Mapped Successfully." is shown to the user.

Upon Clicking "Cancel" the user exits.