

NO. C-13015(375)/MFCGA/PFMS-PMIG/2015-16/422-434
Ministry of Finance, Department of Expenditure
Office of the Controller General of Accounts
(PFMS Project Office)
Shivaji Stadium, New Delhi

Office Memorandum

Dated August 30, 2016

A reference is invited to this office O.M. No.I-115/MF/CGA/ITD/2014-15/558 dated September 24, 2015 and subsequent OMs regarding roll out of payment and accounting module of PFMS in Pay & Accounts Offices. The programme has so far been rolled out in 344 PAOs.

2. It has now been decided to roll out the enhanced PFMS in 17 more PAOs located in different States of India with effect from 1st September, 2016 (**Annexure-1and2**). These PAOs will be assigned Key Resource Person (KRP) selected from the ongoing training/sensitization of PFMS, who shall support the PAO in completing the preparatory activities and also for running the application during the initial period of implementation.

3. **Annexure-3** provides the list of **preparatory activities** to be completed by Pr.AOs and PAOs before 31stAug, 2016 for smooth roll out of PFMS from 1st September, 2016. **PAOs are also advised to carefully go through the "Steps for implementation of PFMS in new PAOs" published in the website of CGA (cga.nic.in) under IT DEVELOPMENT AND SYSTEMS/IT related Orders and Circulars New and complete all the steps well before end of this month i.e. before 31stAugust, 2016.**

5. For activation of **Bank Accounts** of PAO and Cheque Drawing DDOs (separately for each CDDO) under their jurisdiction, the PAO may login with his user id (after approval by Pr.AO) and select the form **Masters>ADD PAO/CDDO Bank Account** from the menu on the left side and fill in all the columns then press the button 'Add Account Details' first for PAO & then for CDDOs. This process may please be started immediately from the date of issue of this OM. A screen shot of the menu is enclosed as **Annexure-4**. However, due care may please be taken to ensure correct Bank account details while entering the same in PFMS portal as the editing provision is not available for PAOs.

6. The entire **process flow** of the PFMS for processing of generation of sanctions and bills at Programme Division/head of Office/DDO and the processing of bills in PAO is elaborated at **Annexure-5**.

7. Principal Accounts Offices not already having their **user-id** approved on PFMS may send user details in the form at **Annexure-6 duly signed** for approval.

8. For the roll out PAOs from 1st September, 2016, Pre-check module of **COMPACT package will be blocked** (except for salaries, GPF and pension). Therefore, the PAOs need to ensure that all the bills received from DDOs in

August (i.e. up to 31st August, 2016) are cleared till the end of August, 2016. All the bills received by PAO from 1st September, 2016 will be processed online on PFMS at all levels viz. generation of sanction by Programme Division/Head of Office, generation of bill by DDO and bill passing and payment by PAO.

9. The concerned Pr. CCAs/CCAs/CAs (independent charge) are requested to issue necessary instructions to their Pr.AO and the selected PAOs to complete the pre-requisite activities before 31st August, 2016 as also to co-ordinate with the respective Heads of offices and DDOs and guide them in completion of the activities required on their part.

AUG
30/08/2016

(Bhole Amit G.)

Assistant Controller General of Accounts (ITD-PFMS)

To

1. The Pr. Chief Controller of Accounts, Central Board of Excise & Customs, AGCR Building, New Delhi.
2. The Pr. Chief Controller of Accounts, Ministry of Home Affairs, North Block New Delhi.
3. The Pr. Chief Controller of Accounts, Central Board of Direct Taxes, Lok Nayak Bhavan, New Delhi.
4. The Pr. Chief Controller of Accounts, Ministry of Shipping and Ministry of Road Transport and Highways, IDA Building, Jamnagar House, New Delhi.
5. The Chief Controller of Accounts, Ministry of Information & Broadcasting, New Delhi.
6. The Financial Advisor, Election Commission of India, Nirvachan Sadan, Ashoka Road, New Delhi.
7. The Joint Secretary & Financial Advisor and Appellate Authority, Rajya Sabha Secretariat, Parliament Annexe, New Delhi.
8. The Chief Controller of Accounts, Ministry of Development of North Eastern Region, New Delhi.
9. Administrator Lakshadweep Administration Kavarati.
10. Administrator Daman & Diu and Dadra & Nagar Haveli Administration Moti Daman.
11. Adviser to the Administrator Chandigarh Administration Chandigarh.

Copy for information and necessary preparatory activities on the PFMS system:

1. Shri Alok Verma CA, CBEC (Head of Development team of PFMS).
2. Smt. Medha Dalvi, Sr. TD, NIC-PFMS.

STATE WISE ROLL OUT PLAN FOR SEPTEMBER, 2016

State	No. of PAOs	Total No. of DDOs	NCDDOs
Delhi/ NCR	2	6	5
Assam	7	132	99
Meghalaya	3	84	14
Chandigarh	1	2	2
Lakshdweep	1	128	43
Dadar Nagar & Haveli	1	70	63
Daman & Diu	2	148	127
Total	17	570	353

Annexure-2

LIST OF PAOs SELECTED FOR ROLL OUT OF PFMS from SEPTEMBER, 2016

Sl. No.	PAO Sl. No.	Code	Description	Building	Bank	Total No. of DDOs	NCDDOs
1		018 - HOME AFFAIRS					
	1	003237-Pay & Accounts Office, SSB, Guwahati		Guwahati	SBI	33	33
		020 - INFORMATION & BROADCASTING					
	2	028875 - PAO(Doordarshan), Guwahati.		Guwahati	SBI	10	7
2		024 - ROAD TRANSPORT & HIGHWAYS					
	3	034921-RPAO (NH), Guwahati		Guwahati	Syndicate Bank	5	5
3		035 - CBEC					
	4	052512-PAO(Collectorate of C&CE), Shillong		Shillong	SBI	21	5
	5	055185-PAO, CEX & Customs Siliguri		Siliguri	SBI	11	8
	6	050205-PAO, CENTRAL EXCISE, DIBRUGARH		Dibrugarh	SBI	6	3
4		036 - CBDT					
	7	056339-ZAO(CBDT), Shillong		Shillong	SBI	60	6
	8	004186-ZAO, CBDT, Jalpaiguri		Jalpaiguri	SBI	18	18
	9	004188-ZAO, CBDT, Guwahati		Guwahati	SBI	49	25
5		041- RAJYA SABHA					
	10	065820 - PAO (Rajya Sabha) (New Delhi)		Delhi	SBI	5	4
6		050 - Director of Accounts UT of Dadra and Nagar Haveli					
	11	070789 - PAO, Directorate of Accounts, UT Administration of Dadra & Nagar Haveli (Silvassa)		Silvassa	Dena Bank	70	63
7		051 - AG UT CHANDIGARH					
	12	070855 - A.G. U.T. Chandigarh (Chandigarh)		Chandigarh	SBI	2	2
8		066 - DIRECTORATE OF ACCOUNTS DAMAN & DIU DAMAN					
	13	071207 - Directorate of A/Cs U.T. Daman & Diu, Daman (Daman)		Daman	SBI	92	80
	14	071220 - PAO, DIU (Diu)		Diu	SBI	56	47
9		085 - UT LAKSHWADWEEP					
	15	085001 - PrPAO Accounts Office, Kavarati, Lakshadweep.		Lakshadweep	Syndicate Bank	128	43
10		084 - ELECTION COMMISSION					
	16	084001 - PAO, Election Commission of India		Nirvachan Sadan	PNB	1	1
11		098- Ministry Of Development Of North Eastern Region					
	17	003683-PAO, NEC, Shillong		Shillong	SBI	3	3
					Total	570	353

Preparations for roll out of PFMS to be completed before August 31, 2016

Action by Pr.AOs:

- (a) **Creation of users:** All officials working on PFMS portal have to create their user id and password to log into the system. The Principal Accounts Office will create its user on the system and send a formal request in the prescribed proforma (**Annexure-6** also available at CGA's web site) to Jt. CGA (ITD), O/o CGA, 4th Floor, B Wing, Shivaji Stadium Annexe, New Delhi - 110001. Once the user id of Pr.AO is approved by CGA, he/she would be able to approve the users created by the PAOs. Further the Pr.AO will create the users of AAO and DH of their office and also approve the same.
- (b) **DDG/Sy-I/Sy-II/Sy-III:** Pr.AOs will enter the DDG/Sy-I/Sy-II/Sy-III grants on PFMS portal as and when the same are available.
- (c) **Supplementary Grants/Re-appropriation/Surrender:** Pr.AOs to obtain DDO wise bifurcation of Supplementary Grants Re-appropriation and Surrender of funds from the Budget section of the concerned Ministry/Department and enter the details in PFMS.
- (d) **Pr.AO to approve the signatories:** Pr.AOs are required to approve the enrolment of signatures in Pay & Accounts Offices on PFMS portal so to enable them to configure the digital signatures for signatory-1 and signatory-2 for initiating e-payment.

Action by PAOs

- (e) **Creation of users:** All officials working on PFMS portal have to create their user id and password to log into the system. The PAO will create its user on the system which will be approved by Pr.AO. The PAO in turn will approve the users of DDO and the DDO will approve the users of Programme Division (Head of Office). Further the PAO will create the users of AAO and DH of their respective office and also will approve the same.
- (f) **Bank Details:** Separate Bank Account Number for e-payment, Cheque payment and Receipts should be obtained by PAO from the eFPB/FPB of the accredited bank and the same should be entered in the relevant form (**Masters>ADD PAO/CDDO Bank Account**) on the PFMS portal. Similarly, separate Bank Account Numbers for e-payment, Cheque payment, and Receipts of CDDOs under the control of PAO should also be obtained and entered on the PFMS portal for activation on the portal and validation thereof by the respective banks.
- (g) **Data Entry of DDO-wise Budget Allocation:** The development of forms/module for entry of DDO-wise budget allocation has been completed and tested. In order to start all non-plan payments, it is imperative that all the PAOs complete data entry of DDO-wise budget allocation on the PFMS portal as they are presently doing in COMPACT and reconcile the figures with the information received by PAOs from Budget Section of the respective Ministry/Department.
- (h) **Digital Signatures:** Presently all the PAOs making e-payment through GePG have two digital signatures each. In order to ensure seamless process of online payments all PAOs can have at least three digital signatures.

- (i) **Alternate Internet Connection:** Unlike COMPACT which is a standalone system, processing of sanctions and bills through PFMS will be online. Therefore, apart from the internet connection through VPN (Virtual Private Network of CGA), every Pr.AO and PAO should have alternate internet connection so as to rule out any issue related to connectivity.
- (j) **Update 'JAVA'** on their machines so that they may not face any problem during signatory registration etc.
- (k) **Internet browsers:** PAOs to have 'Mozilla Firefox' and 'Google Chrome' browsers on each computer in addition to 'internet explorer' browser.
- (l) **Email_id:** All the login id users viz PD/DDO/PAO/Pr.AO./DH/AAO etc. have to open an official e-mail id with 'NIC' and the same may be entered in login id creation form of PFMS.
- (m) **Guide HOOs/DDOs:** Initially the PAOs may help the Head of Office (Programme Division or PD in PFMS) in generation of few sanctions to ensure that a sanction does not include, vendors for e-payment as well as cheque payments. Separate sanction is to be generated for each type of payment.
- (n) **Sanction backlog/Advance sanction:** It has to be ensured that all Plan Sanctions generated in PFMS upto 31.8.2016 are either in 'closed' or 'Cancelled' status before switch over by PAO on 1.9.2016. It may also be ensured that no fresh sanctions are issued in advance for 1.9.2016.
- (o) **User manual:** PAOs may download the User Manual of PFMS from the website of CGA and provide a softcopy of the same to each of the Head of Office and DDOs handling non-plan payments.

Action by Head of Office [Programme Division (PD)]

- (p) **Internet Connectivity:** The system enables online sanction generation at PFMS portal by Program Division (Head of Office for non-plan payments) and online receiving of sanctions by DDO and preparation of bill on PFMS. This requires internet connectivity at the site of Head of Office as well as DDO.
- (q) **Creation of users:** All officials working on PFMS portal have to create their user id and password to log into the system. Each sanctioning authority will create a user as Programme Division (PD). The said user type 'PD' will be approved by the user type 'DDO'.
- (r) **Vendor Creation:** PDs may start creating the vendors both for e-payment as well as for cheque payments on PFMS portal so that before roll out of PFMS their account number gets validated online by the bank.
- (s) **Mapping of Vendors:** PDs may start mapping the DDOs/Vendors etc. on PFMS portal so that this exercise is completed before roll out of PFMS.

Action by DDOs

- (t) **Internet Connectivity for Head of Office and DDO:** The system enables online sanction generation at PFMS portal by Program Division (Head of Office for non-plan payments) and online downloading of sanctions by DDO and preparation of bill on PFMS. This requires internet connectivity at the site of Head of Office as well as DDO.
- (u) **Creation of users:** All officials working on PFMS portal have to create their user id and password to log into the system. The user id of user type 'DDO' will be approved by the user type 'PAO'.

Annexure-4

Public Financial Management System-PFMS
(formerly CPMS)

0/a Controller General of Accounts, Ministry of Finance

Welcome: KV HAMZA
User Type: Root
Financial Year: 2016-2017

PAO Account Details

Controller Name: * 001 - AGRICULTURE

PAO Description: * 000085-PAO(DMS), New Del

Account Type: * --Select--

Account Number: *

Account Holder: PAO Account CDDO Account

Bank Name: *

PAO Contact No.: *

IFSC Code: *

PAO Address: *

PAO District: *

PAO City: *

PAO PinCode: *

E-mail Id: *

[Add Account Details](#) [Reset](#)

https://pfms.nic.in/Administration/Master/PAOAccountDetails.aspx

About Us | Site Map | Privacy Policy | Contact Us | ©2009 CENTRAL PLAN SCHEME MONITORING SYSTEM. All Rights Reserved.

13:32
16-05-2016

**Process flow of sanctions and bills in PFMS
(Other than Salaries, Pension and GPF)**

A. Processes at Programme Division/head of Office (PD user):

- (i) **Vendor/beneficiary Registration:** Before generation of sanction on PFMS, the sanctioning authority will register the particulars of each payee (including Government employees) as vendor.
- (ii) **Mapping of Vendor/beneficiary:** The vendors created in the above process, will be automatically mapped with the PD user by whom they were created. Vendors which are already available on PFMS portal (registered by any users type 'PD') may also be mapped by the different PDs with them for initiating payment to such vendors.
- (iii) **Sanction Generation:** After registration of vendor, the PD user may generate a sanction for payment (gross amount) indicating the amount payable to each payee, and the grant number, head of account to which the expenditure is debitible. Once the sanction is approved after generation, it goes online to the DDO for preparation of bill.

B. Processes at the office of Drawing and Disbursing Office (DDO user)

- (i) **Receiving sanction:** The sanction generated by PD user will be received online by the DDO user. The sanction, after being received by the DDO user, will not be available to PD user for editing. If necessary, the sanction may be returned to PD user by the DDO user for correction.
- (ii) **Generation of Bill:** The DDO user will generate a bill online and indicate the amount of deductions, if any, recoverable from each user under different heads of accounts.
- (iii) **Challan Entry:** All the challans in respect of non-tax receipts will be entered by the DDOs from 1st September, 2016 onwards on PFMS portal.

C. Processes at the Pay & Accounts Office:

- (i) **Receiving Bills by Dealing Hand:** On receipt of physical ink signed bills from DDO, the Dealing Hand (DH) in PAO will receive the bills online on PFMS. The system will automatically generate a token number for each of the bills received by DH in PAO. This may be indicated in ink on the physical bill.
- (ii) **Pre-check of bill at three levels:** The bills for which token number has been generated on PFMS will be processed for pre-check at three levels viz. DH, AAO and PAO as is being done presently in COMPACT.
- (iii) **Payment by PAO:** After passing of the bill at three levels, the PAO will authorize payment online through PFMS using digital signature.
- (iv) **Payment Scrolls:** After processing of payments through, NEFT/RTGS/ECS as the case may be, the bank will send electronic payment scrolls online on PFMS portal. The scrolls will be automatically incorporated and processed. The process of cancellation and re-issue cheque/e-payment will be carried out on PFMS portal only.

- (v) **Receipt Scrolls:** As in the case of Payment Scrolls, the bank will send receipts scrolls also in electronic format on the PFMS portal and the same will be automatically incorporated and reconciled with the challans entered by DDO on PFMS portal.
- (vi) **Physical (manual) Scrolls:** Physical (manual) scrolls, if any, in respect of receipts and cheque payments, and Daily Main Scrolls, received from the bank will be entered by the Dealing Hand manually in the screen forms provided in the Bank Reconciliation module of PFMS and the same will be approved by the AAO. **Daily main scroll will be entered before entering detailed receipt and cheque payment scrolls for a given date.** IFSC Code in respect of PAO's accredited bank as well as IFSC Code of the bank branch of the CDDOs' accredited bank will be required at the time of data entry. IFSC Code of the Focal Point Branch will be required for entering the DMS.
- (vii) **Date-wise Monthly Statement (DMS):** Date wise Monthly Statement (DMS) excluding eDMS of e-payments will also be entered by the Dealing hand in the form available in the Bank Reconciliation module and the same will be approved by the AAO.
- (viii) **Monthly Accounts:** The monthly account from September, 2016 onwards in respect of these 107 PAOs will be generated on the PFMS portal and transferred/uploaded to e-lekha directly by the PFMS.
- (ix) **List of Payments:** All the LOPs (List of Payments) of Cheque Drawing DDOs (CDDOs) will be entered by the PAOs/CDDOs on the interface being provided at the PFMS.
- (x) **Transfer Entries:** All the transfer entries will be entered by PAO in the PFMS in the interface being provided in the PFMS for this purpose.

D. Bills of Salary, GPF and Pension:

- (i) **Processing of Bills:** The bills of Salaries, GPF and Pension will be processed in COMPACT at all three levels and thereafter the bills will be uploaded on PFMS portal for payment processing i.e. digital signing/cheque writing etc.
- (ii) After processing of payment in respect of the above bills at PFMS, the voucher details etc. will be downloaded from PFMS and will be incorporated into COMPACT so as to facilitate up-dation of GPF/Pension module.

E. Blocking of COMPACT: The PAOs selected for roll out of PFMS from 1st September, 2016 will not be able to use the following modules of COMPACT as the same will be blocked:

- (i) **Pre-check module:** The pre-check module will be blocked for processing of bills except the bills of Salaries, GPF and Pension.
- (ii) **Compilation module:** All the data entry forms in compilation module will be completely blocked as the List of Payments in respect of CDDOs will also be entered on PFMS portal.

F. PAOs not switching over to PFMS: For all other PAOs which have not been selected for processing of payments through PFMS so far will continue to use COMPACT for payments as well as for accounting.

Form for approval/deactivation of Pr. AO User ID in PFMS

Controller Code	Controller Description	Contact Details including Address, Tel. No. And email ID of Pr.AO User	User ID/Login ID to be approved*	Reason for new User ID mentioned in Col.4	Existing user ID of Pr. AO for PFMS (Plan/ Non-Plan), if any	User ID to be deactivated/ disabled	Reason for retaining multiple User Ids, if Col.4 + Col.6 > 1
1	2	3	4	5	6	7	8

Signature of Pr. AO _____

Name _____

Designation _____