

Dated the 24 February, 2022

OFFICE MEMORANDUM

Subject: Revised instructions on bringing Autonomous Bodies (ABs) under the Treasury Single Account (TSA) System.

Reference is invited to this Department's OM of even number dated 27th July, 2017 and 24th August, 2017 (copies enclosed) regarding implementation of the Treasury Single Account (TSA) System in Autonomous Bodies (ABs).

2. The Expenditure Management Commission (EMC) in its report has recommended that in order to minimize the cost of Government borrowings and to enhance efficiency in fund flows to Autonomous Bodies, Government should gradually bring all Autonomous Bodies (ABs) under the Treasury Single Account (TSA). The Government decided to implement this recommendation. Pilots were conducted with the Indian Council of Medical Research (ICMR) and Indian Institute of Technology (IIT), Delhi on implementation of Treasury Single Account (TSA) System.

3. Implementation of TSA has now been extended to 149 Autonomous Bodies (ABs). However during the implementation, certain difficulties were noticed requiring suitable revision in the provisions. Therefore, to further streamline the implementation of TSA system, the following instructions are issued in supersession of the instructions issued vide OM dated 27th July, 2017 and all other instructions issued in the matter:

(i) These guidelines shall be applicable to Autonomous Bodies (ABs)/Implementing Agencies (IAs) including Statutory Bodies and Central Public Sector Enterprises (CPSEs). In case of CPSEs, applicability will be limited to the grants and scheme funds received by them from the Government of India.

(ii) The Monthly Expenditure Plan (MEP) of Autonomous Bodies (ABs)/Implementing Agencies (IAs), as accepted by the Programme Division (PD) and Integrated Finance Division (IFD), the pace of implementation of the schemes in the ABs/IAs and the balance grant/fund available with the AB/IA for the said scheme shall form the basis of just-in-time releases to ABs/IAs.

Consequent upon receipt of the sanction order for release of funds to the ABs/IAs along with the bill from the Drawing and Disbursing Officer (DDO), the concerned Pay & Accounts

R. S. Chandra

Officer (PAO) shall advise RBI, after exercising all necessary checks, to honour the payment instructions issued by the concerned AB/IA up to the "Assigned Limit" in the advice.

(iii) The PAO shall debit the concerned head of account for the appropriation but not transfer the cash directly to the ABs/IAs. It shall be retained in an interim account in respect of the AB/IA listed under the parent Ministry/Department in the Public Account. Balances remaining unutilized at the close of the year will lapse to the Government and hence written back in Government Account. Ministries administering the AB/IA concerned will have to explain the saving in the related Appropriation Accounts.

(iv) The total releases made in a year to ABs/IAs through TSA and its utilization may be reflected under the Major Head "8454 – Funds for ABs under TSA" in the Financial Statements of the Government Account. The amount not utilized in any year and written back to CFI may need to be indicated in the Accounts as a Footnote.

(v) Each Autonomous Body/Implementing Agency including subsequent level of institutions shall open bank accounts with Reserve Bank of India in e-Kuber. Separate accounts shall be opened for receiving Grants in Aid/Funds from each Pay & Accounts Office of Government of India by each Autonomous Body/Implementing Agency and subsequent level of Autonomous Bodies/institutions.

(vi) The relevant bank details of all accounts held by the AB/IA as well as of payees of ABs/IAs shall be registered on PFMS after due diligence by administrative Ministry/Department.

(vii) Autonomous Bodies/Implementing Agencies including subsequent level of Institutions shall not open/operate/park funds in any other account for any operation pertaining to funds received from Government of India.

(viii) All expenditure from the Grants-in-Aid/Funds received from Government of India by the Autonomous Body/Implementing Agency will be made through these designated accounts only. This system will be digital and fully online on PFMS with no physical flow of assignments to RBI or expenditure by AB/IA of cash on assignment basis.

(ix) Notwithstanding the conditions at Para above, 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 court attachment from salaries of employees etc., ABs/IAs may utilize the services of their existing account at commercial banks. They may transfer funds to the extent required for meeting such transactions for immediate utilization/remittance. No money transferred under this provision can be parked in a Commercial Bank for more than seven days. However, such transfers will be subject to approval by the concerned Financial Advisor on case to case basis.

(x) In addition to the above provision, ABs/IAs may draw the cash/transfer the funds required for payment of salary for the month of March from the assignment amount of current financial year and keep the amount in a commercial bank for the purpose of releasing the salary for the month of March to the employees in the month of April.

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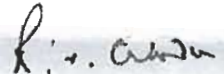
(xi) The RBI will function as primary banker to the Ministries/Departments in this regard without involvement of an agency bank. These accounts will be assignment accounts. A limit up to which expenditure can be incurred by an AB/IA, shall be assigned to these accounts by the PAO concerned through PFMS based on the expenditure sanction issued by the PD and the bill preferred by the DDO. The e-Kuber bank account details of the AB/IA shall be incorporated in the sanction order. The limit shall be a dynamic limit. Sanction orders, a summary of all such assignments and the balance limit available can be viewed on PFMS by all stakeholders.

(xii) The electronic file containing a unique sanction ID and necessary details of the sanction order will seamlessly travel from PAO to RBI and concerned ABs/IAs. RBI will maintain individual ledgers in respect of each accounts of the AB/IA for watching the availability of assignments.

(xiii) ABs/IAs shall adhere to all due processes while incurring expenditure from the funds sanctioned through PFMS. ABs/IAs shall also ensure that sufficient limit is available in the relevant account before the issue of the instrument. Unutilized assignment will lapse to the Government at the close of the Financial Year and will not be available to the ABs/IAs for expenditure in the next financial year.

(xiv) TSA system does not affect the procedures and processes of the ABs/IAs/CPSEs, but provides only a payment platform facilitating Just-in-Time releases by the Government.

4. The Financial Advisor of the Ministry, administrative head and financial head of an AB/IA would be jointly and severally responsible for strict compliance with these guidelines.



(R.D. Talukdar)

Deputy Secretary to the Government of India

To

1. Secretaries of all Ministries/Departments of Government of India
2. Controller General of Accounts, Department of Expenditure
3. Deputy Governor, RBI
4. Member (Finance), Railways
5. Controller General of Defence Accounts
6. Financial Advisers of all Ministries/Departments of Government of India
7. All Pr. CCAs/CCAs/CAs (independent charge) of all Ministries/Departments of Government of India.
8. Principal Chief General Manager, DGBA, Central Office, RBI, Mumbai
9. Chief General Manager, CAS, Nagpur, RBI

Copy for information to:

1. Finance Secretary & Secretary (Expenditure)
2. Secretary, Department of Economic Affairs

North Block, New Delhi
Dated the 27th July, 2017

OFFICE MEMORANDUM

Subject: Guidelines for implementing Government's decision on bringing Autonomous Bodies (ABs) under Treasury Single Accounts (TSA) System.

The Expenditure Management Commission (EMC) vide Para 125 of its September, 2015 report has recommended that in order to minimize the cost of Government borrowings and to enhance efficiency in fund flows to Autonomous Bodies, Government should gradually bring all Autonomous Bodies (ABs) under the Treasury Single Account (TSA) System.

2. The Government has decided to implement this recommendation in the following manner in consultation with Budget Division, Department of Economic Affairs and the Reserve Bank of India.

(i) The Monthly Expenditure Plan (MEP) of an AB, as accepted by the Programme Division (PD) and IFD, the pace of implementation of the schemes in the AB and the balance grant available with the AB for the said scheme shall form the basis of just-in-time releases to ABs. Consequent upon receipt of the sanction order for release of funds to the AB along with the bill from the Drawing and Disbursing Officer (DDO), the concerned Pay & Accounts Officer (PAO) shall advise RBI after exercising all necessary checks, to honour the payment instructions issued by the concerned AB up to the "Assigned Limit" in the advice.

(ii) The PAO shall debit the concerned head of account for the appropriation but not transfer the cash directly to the AB. It shall be retained in an interim account in respect of the AB listed under the parent Ministry/Department in the Public Account. Balances remaining unutilized at the close of the year will lapse to the Government and hence written back in Government Account. Ministries administering the AB concerned will have to explain the saving in the related Appropriation Accounts.

(iii) Each Autonomous Body including subsequent level of institutions shall open bank accounts with Reserve Bank of India in e-Kuber; separate accounts shall be opened for receiving different categories of Grants-in-aid viz. Grants in Aid (General), Grants for creation of Capital Assets and Grants in Aids (Salaries). The relevant bank details of all accounts held by the AB as well as of payees of ABs shall be registered on PFMS after due diligence by administrative Ministry/Department. Autonomous bodies including subsequent level of Institutions shall not open / operate/park funds in any other account for any operation pertaining to funds received from Government of India. All expenditure from the Grants-in-Aids/ assistance received from Government of India by the Autonomous Body will be made through these three accounts only. This system will be digital and fully online on PFMS with no physical flow of assignments to RBI or expenditure by AB of cash on assignment basis.

(iv) The RBI will function as primary banker to the Ministries/Departments in this regard without involvement of an agency bank. These accounts will be assignment accounts. A limit

up to which expenditure can be incurred by an AB, shall be assigned to these accounts by the PAO concerned through PFMS based on the expenditure sanction issued by the PD and the bill preferred by the DDO. The e-Kuber bank account details of the AB shall be incorporated in the sanction order. The limit shall be a dynamic limit. Sanction orders, a summary of all such assignments and the balance limit available can be viewed on PFMS by all stakeholders.

(v) The electronic file containing a unique sanction ID and necessary details of the sanction order will seamlessly travel from PAO to RBI and concerned ABs. RBI will maintain individual ledgers in respect of the three accounts of the ABs for watching the availability of assignment. Controls of dynamic limit shall be at the Standard Object Head level.

(vi) ABs shall adhere to all due processes while incurring expenditure from the funds sanctioned through PFMS. ABs shall also ensure that sufficient limit is available in the relevant account before the issue of the instrument. Unutilized assignment will lapse to the Government at the close of the Financial Year and will not be available to the ABs for expenditure in the next financial year.

3. The administrative head and financial head of an AB would be jointly and severally responsible for strict compliance with these guidelines.

Annie G Mathew

(Annie G Mathew)

Joint Secretary to the Government of India

Tele: 23093283

To

1. Secretaries of all Ministries/Departments of Government of India
2. Controller General of Accounts, Department of Expenditure
3. Deputy Governor, RBI
4. Financial Commissioner, Railways
5. Controller General of Defence Accounts — >
6. Financial Advisers of all Ministries/Departments of Government of India
7. All Pr. CCAs/CCAs/CAs (independent charge) of all Ministries/Departments of Government of India
8. Principal Chief General Manager, DGBA, Central Office, RBI, Mumbai
9. Chief General Manager, CAS, Nagpur, RBI

Copy for information to:

1. Finance Secretary & Secretary (Expenditure)
2. Secretary, Department of Economic Affairs

North Block, New Delhi
Dated the 24th August, 2017

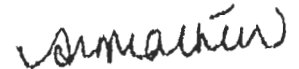
OFFICE MEMORANDUM

Subject: Guidelines for implementing Government's decision on bringing Autonomous Bodies (ABs) under Treasury Single Accounts (TSA) system.

Reference is invited to Department of Expenditure OM of even number dated 27.07.2017 on the subject cited above. A few Ministries/Departments have sought clarifications relating to date of implementation of the new system of fund release to Autonomous Bodies.

2. As stated in the guidelines (copy enclosed), implementation of the new procedure of fund release to ABs will require prior action on the part of Ministries/Departments such as registration of ABs (including subsequent level of institutions and payee institutions) on PFMS and opening of Bank Accounts with RBI in e-Kuber for receiving the three different categories of Grants-in-Aid. At present two pilot projects on the new system of fund release are being conducted at ICMR and IIT, Delhi. Further directions on the matter will be issued after the pilots are completed.

3. All Ministries/Departments are requested to take necessary action to complete the requisite formalities in the meantime, so that the new system of fund release may be adopted without delay on the issue of further instructions.



(Annie G Mathew)

Joint Secretary to the Government of India

Tel. 23093283

To

1. Secretaries of all Ministries/Departments of Government of India
2. Controller General of Accounts, Department of Expenditure
3. Deputy Governor, RBI, Mumbai
4. Financial Commissioner, Railways
5. Controller General of Defence Accounts
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8. Chief General Manager, CAS, Nagpur, RBI

Copy for information to:

1. Finance Secretary & Secretary (Expenditure)
2. Secretary, Department of Economic Affairs
3. Additional Secretary, Department of Expenditure.