



D.O. No. MD/MC-SBM/RS/25/2017

Dated 27th February 2017

Subject: Operationalizing PFMS platform and opening of bank account with Scheduled Commercial Bank- Reg

Dear Sir,

The Swachh Bharat Mission - Urban (SBM-U), launched on 2nd October 2014 aims at making urban India free from open defecation and achieving 100% scientific management of municipal solid waste in 4,041 statutory towns in the country. The Swachh Bharat Mission (Urban) is implemented by Ministry of Urban Development (MoUD).

2. To achieve the Mission targets of Swachh Bharat Mission, it is important to have a close coordination between the Centre and the State Govt. /UTs to monitor the financial progress of the Mission and its components at all levels.
3. In this regard, the O.M. No. S-11012/3(1)/Bank/Ref.Case/2010/RBD/1688-1772, dated 10th Nov 2016 (enclosed at **Annexure 1**) of the Department of Expenditure (DoE), Ministry of Finance specifies that, to facilitate just in time release and monitoring the usage of funds it is mandatory that all grantee institutions and implementing agencies to universally adopt Public Financial Management System (PFMS) Platform.
4. The O.M. of DoE mentioned in para 3 also mentions that the implementation agencies (ULBs) can open accounts in Scheduled Commercial Banks (list attached in **Annexure 2**). In view of this, it is concurred that ULBs can open account in Scheduled Commercial Banks for maintaining funds of Swachh Bharat Mission with the concurrence of the respective state Government.
6. In view of the above, the Scheduled Commercial Banks (as per the list enclosed at **Annexure 2**) are notified as partners and are requested to provide

necessary handholding support / training (wherever they find it convenient) to ULB functionaries such that the ULBs are on-boarded on the PFMS platform and start utilizing it.

With Regards,

Yours sincerely,


(Praveen Prakash)

Enclosure:

1. Annexure -1: O.M. No. S-11012/3(1)/Bank/Ref.Case/2010/RBD/1688-1772, dated 10th Nov 2016
2. Annexure -2: Scheduled Commercial Bank.

To:

- 1 State Mission Directors of SBM with request to disseminate to cities in their Jurisdiction
- 2 Municipal Commissioner of all AMRUT Cities
- 3 MD/Chairman/Equivalent of all the Scheduled Commercial Bank Listed in Annexure -I

Copy To:

- 1 Addl. Mission Director SBM
- 2 Dy. Secretary (SBM - II), JA (CPHEEO)

Annexure -2

List of Scheduled Commercial Banks available at:
(http://www.bcsbi.org.in/LOM_ScheduledCommercial.html)

1. AB BANK LTD.
2. ALLAHABAD BANK
3. ANDHRA BANK
4. AXIS BANK LTD.
5. BANDHAN BANK LTD.
6. BANK OF AMERICA N A
7. BANK OF BARODA
8. BANK OF CEYLON
9. BANK OF INDIA
10. BANK OF MAHARASHTRA
11. BANK OF NOVA SCOTIA
12. BARCLAYS BANK PLC
13. BHARTIYA MAHILA BANK LTD
14. BNP PARIBAS
15. CANARA BANK
16. CATHOLIC SYRIAN BANK
17. CENTRAL BANK OF INDIA
18. CITIBANK N A
19. CITY UNION BANK LTD
20. COMMONWEALTH BANK OF AUSTRALIA
21. CORPORATION BANK
22. CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK
23. DBS BANK LTD
24. DCB BANK LTD.
25. DENA BANK
26. DEUTSCHE BANK AG
27. DHANLAXMI BANK LTD.
28. DOHA BANK QSC
29. FEDERAL BANK LTD
30. HDFC BANK LTD.
31. HSBC LTD
32. ICICI BANK LTD.
33. IDBI BANK LTD.
34. IDFC BANK LTD.
35. INDIAN BANK
36. INDIAN OVERSEAS BANK
37. INDUSIND BANK LTD.
38. JAMMU & KASHMIR BANK LTD
39. JP MORGAN CHASE BANK N A
40. KARNATAKA BANK LTD.
41. KARUR VYSYA BANK LTD

42. KOTAK MAHINDRA BANK LTD.
43. KRUNG THAI BANK PLC
44. LAKSHMI VILAS BANK LTD
45. MASHREQ BANK PSC
46. NAINITAL BANK LTD
47. NATIONAL AUSTRALIA BANK
48. ORIENTAL BANK OF COMMERCE
49. PUNJAB & SIND BANK
50. PUNJAB NATIONAL BANK
51. RBL BANK LTD
52. ROYAL BANK OF SCOTLAND
53. SBM BANK (MAURITIUS) LTD.
54. SHINHAN BANK
55. SOCIETE GENERALE
56. SONALI BANK LTD.
57. SOUTH INDIAN BANK LTD
58. STANDARD CHARTERED BANK
59. STATE BANK OF BIKANER AND JAIPUR
60. STATE BANK OF HYDERABAD
61. STATE BANK OF INDIA
62. STATE BANK OF MYSORE
63. STATE BANK OF PATIALA
64. STATE BANK OF TRAVANCORE
65. SYNDICATE BANK
66. TAMILNAD MERCANTILE BANK LTD.
67. UCO BANK
68. UNION BANK OF INDIA
69. UNITED BANK OF INDIA
70. VIJAYA BANK
71. YES BANK LTD.

No.S-11012/3(1)/Bank/Ref. Case/2010/RBD/ 1811
Government of India
Ministry of Finance
Department of Expenditure
Controller General of Accounts
Mahalekha Niyantak Bhawan,
E-Block, GPO Complex,
INA, New Delhi-110023
Tel: 24665384, Fax: 24649365, e-mail : sao-rbd@nic.in

Dated : 11.11.2016

To,

Shri Vikrant Thakur
National Manager (Strategy and Policy)
Government Banking Group, ICICI Bank Ltd.
NBCC Place, Bhisma Pitamah Marg
New Delhi-110003

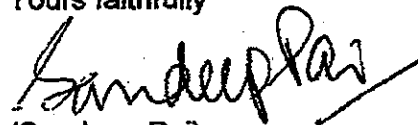
**Subject: Clarification on pre-funded schemes and banking arrangement of
Implementing agencies of Central Schemes.**

Sir

Please refer to your letter no. ICICI/CGA/PFMS dated September 22, 2016 on the above mentioned subject.

In this regard a copy of the Office Memorandum no. **S-11012/3(1)/Bank/Ref. Case/2010/RBD/1688-1772** dated 10/11/2016 issued in this regard is enclosed herewith for your information and necessary action.

Yours faithfully



(Sandeep Pai)
Sr. Accounts Officer (RBD)

No.S-11012/3(1)/Bank/Ref. Case/2010/RBD/ 1688-1772

Government of India

Ministry of Finance

Department of Expenditure

Controller General of Accounts

Mahalekha Niyantak Bhawan,

E-Block, GPO Complex,

INA, New Delhi-110023

Tel: 24665384, Fax: 24649365, e-mail : sao-rbd@nic.in

Dated : 10.11.2016

Office Memorandum

Subject: Banking arrangements of the State/District Level Implementing Agencies handling Central Sector/Centrally Sponsored Schemes of various Ministries of Government of India.

The Department of Expenditure, M/o Finance has issued directions to all the Ministries that for the purpose of improved financial management in implementation of government funded schemes & for facilitating Just-in-Time releases and monitoring the usage of funds including information on its ultimate utilization, it is necessary for all implementing agencies and Grantee Institutions to universally adopt Public Financial Management System (PFMS) platform. It further asks all the Ministries/Departments to take the following steps:

- (i) All Central Schemes should be mapped/configured and brought on the PFMS platform.
- (ii) All Implementing Agencies (IAs) receiving and utilizing funds need to be mandatorily registered on PFMS.
- (iii) Usage of PFMS modules should be made mandatory for all registered agencies for making payments, advances and transfers.
- (iv) All Departmental Agencies incurring expenditure in respect of Central Sector Schemes should register and compulsorily use the PFMS Modules.
- (v) All Grantee Institutions may be directed to adopt PFMS modules for making Payments/Transfers/Advance from Grants received from the Central govt. This will enable generation of on-line Utilisation Certificates for claiming funds from Central government.
- (vi) Ministries may also take action for integrating their respective systems/applications with the PFMS.

2. It further states that as per the approved Action Plan, all Central Ministries / Department should complete the full roll-out in respect of the Ministry / Department and Attached/Subordinate Offices by 31st October 2016 and all Grantee Institutions should complete the roll out by 31st March 2017.

3. The PFMS-Core Banking Solution Interface facilitates online validation of beneficiaries, and Agencies bank account details. Electronic payment files are generated through PFMS for three modes of payments, viz. Print Payment Advice (PPA), Digital Signature Certificate (DSC) and Corporate Internet Banking (CINB). At present, PFMS -CBS interface is operational with Public Sector Banks (26), Regional Rural Banks (50), and Private Sector Banks (10). PFMS has interface with India Post and RBI too.

4. In this context it has been observed by this office that the scheme guidelines of many of the schemes were formulated before the expansion of banking sector and the changes that

took place afterwards have not been incorporated on issues related to banking arrangements of the Implementing Agencies at various levels.

5. Further, the Scheme guidelines of some of the Ministries/ Departments are still limiting their scheme implementing agencies to Nationalised/ PSU Banks only due to presence of limiting banking clauses in their old scheme guidelines. In addition to this, few schemes due to absence of clarity on banking clause, get inclined on preferring PSU Banks rather than any scheduled commercial bank.

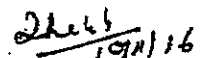
6. In this regard, this office, vide O.M. no. S-11012/3(1)/Ref Case 2010/1119-1179 dated 30.06.2015 had issued clarification on the government agency business and banking arrangements of autonomous bodies, prefunded schemes etc. This office had already clarified vide its above referred letter in consultation with Dept. of Financial Services on eligibility of Scheduled Commercial Private Sector Banks for participation in Pre-Funded Schemes and accordingly all concerned Departments/Ministries were advised to make enabling provisions within the scheme implementation guidelines and issue necessary instructions to grantee institutions at the earliest on inclusion of scheduled commercial banks.

7. The following category of banks operating in India and regulated under Banking Regulation Act 1949, which have been notified as Scheduled Commercial Banks can handle accounts of Implementing Agencies/ Autonomous Bodies/Societies.

- (i) State Bank of India and its associates
- (ii) Nationalised Banks (PSU Banks)
- (iii) - Regional Rural banks
- (iv) Other Scheduled Commercial Banks (Private Sector Banks)

8. All the Ministries/Departments are therefore, requested to consider the above mentioned facts and clarifications and have a relook at the scheme guidelines relating to the banking arrangements of the Implementing Agencies/Autonomous Bodies/Societies and make necessary changes, if required, so that all the Scheduled Commercial Banks (except Foreign Banks) are able to participate fully in the implementation of their schemes with the universal roll out of the release of grants through PFMS.

This issues with the approval of Controller General of Accounts.


(Dr. Shakuntla)
Jt. Controller General of Accounts

To,

1. Financial Advisors of all the Ministries/Departments of Central Government.
2. Pr.CCA/CCA/CA with independent charge of all Ministries/Departments.

Copy to:

1. Jt. Controller General of Accounts (PFMS), O/o CGA, Shivaji Stadium Annexe, New Delhi-110001.
2. Sr. Accounts Officer, ITD, O/o CGA with the request to upload this OM on the office website.