

GOVERNMENT OF ODISHA  
FINANCE DEPARTMENT

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No. 21377 /F,  
FIN-PF-CA-0001-2023

dated 28/07/2023

OFFICE MEMORANDUM

**Sub: "Just-in-Time" release of Centrally Sponsored Scheme (CSS) funds through e-Kuber platform of Reserve Bank of India (RBI).**

Department of Expenditure, Ministry of Finance, Government of India vide their OM No. 1(27)/PFMS/2020, dated 13<sup>th</sup> July 2023 has introduced an alternative fund flow mechanism named **SNA- SPARSH (Real time System of Integrated Quick Transfers)** for CSS funds through an integrated framework of PFMS, State IFMS and e-kuber platform of Reserve Bank of India in a progressive manner. The detail procedure to be followed by the State Governments concerned and the Ministries/Departments of the Government of India for the schemes notified for implementation in SNA- SPARSH model has been laid down in the said OM (**Copy enclosed**)

2. The new mechanism has been introduced by Government of India under the principles of '**Just-in-Time release**' to bring about more efficiency in cash management. As per para 2 of the said OM of Government of India, the names of schemes to be covered under the **SNA- SPARSH** model are to be notified from time to time.

3. To bring about more efficiency in cash management in our State, Government of Odisha has been pleased to adopt the alternative fund flow mechanism named **SNA-SPARSH (Real time System of Integrated Quick Transfers)** introduced by Government of India for CSS funds through an integrated framework of PFMS, State IFMS and e-kuber platform of Reserve Bank of India in a progressive manner.

4. The Directorate of Treasuries & Integration, Odisha (DT&I (O)) has been authorised to open State Linked Scheme (SLS) wise Drawing Accounts in RBI in respect of the notified CSS under SNA-SPARSH Model.

By Order of the Governor,



**Principal Secretary to Government**

Memo No 21378 /F,

Date 28/07/2023

Copy forwarded to Principal Secretary to Hon'ble Governor/PS to Hon'ble Chief Minister/ PS to all Hon'ble Ministers / Minister of State/ OSD to Chief Secretary/ PS to DC-cum-ACS for kind information.

*Amit*  
*28.7.2023*  
Deputy Secretary to Government

Memo No 21379 /F,

Date 28/07/2023

Copy forwarded to PS to Additional Chief Secretaries/ Principal Secretaries/ Commissioner-cum-Secretaries, all Departments for kind information of Additional Chief Secretaries/Principal Secretaries/ Commissioner-cum-Secretaries.

*Amit*  
*28.7.2023*  
Deputy Secretary to Government

Memo No 21380 /F,

Date 28/07/2023

Copy forwarded to FAs/AFAs of all Departments for kind information and necessary action.

*Amit*  
*28.7.2023*  
Deputy Secretary to Government

Memo No 21381 /F,

Date 28/07/2023

Copy forwarded to Director of Treasuries and Inspection, DT&I(O), Bhubaneswar for kind information and necessary action.

*Amit*  
*28.7.2023*  
Deputy Secretary to Government

Memo No 21382 /F,

Date 28/07/2023

Copy forwarded to Core Banking Division, Department of Information Technology, Reserve Bank of India (RBI), Shahid Bhagat Singh Road, Mumbai-400 001/ RBI Regional Office, Bhubaneswar for kind information and necessary action.

*Amit*  
*28.7.2023*  
Deputy Secretary to Government

Memo No 21383 /F,

Date 28/07/2023

Copy forwarded to the O/o AG (A&E), Odisha for kind information and necessary action.

*Anil*  
*28.7.2023*

**Deputy Secretary to Government**

Memo No 21384 /F,

Date 28/07/2023

Copy along with the copy of the enclosure forwarded to PFMS State Directorate (SPMU), 2nd Floor, Treasury & Accounts Bhawan, for kind information and necessary action.

*Anil*  
*28.7.2023*

**Deputy Secretary to Government**



F. No. 1(27)/PFMS/2020  
Government of India  
Ministry of Finance  
Department of Expenditure  
PFMS Division

North Block  
New Delhi, 13<sup>th</sup> July, 2023

To

**Chief Secretaries/Principal Secretaries (Finance): All States/UTs**

**Subject:**“Just-in-Time” release of Centrally Sponsored Schemes (CSS) funds through e-kuber platform of Reserve Bank of India (RBI).

Sir/Madam

The General Financial Rule 232(v) prescribes the release of funds to the State Governments and monitoring utilization of funds through PFMS. For better monitoring the availability and utilization of funds released to the States under the Centrally Sponsored Schemes (CSS) and to reduce float, the Department of Expenditure vide OM No. 1(13)PFMS/FCD/2020 dated 23rd March, 2021 has issued guidelines for revised procedure for flow of funds under CSS. The revised procedure, known as the “SNA model”, came into effect from 1<sup>st</sup> July, 2021.

2. Further, in view of rule 230 (7) of GFR 2017 which prescribes that “The principles of ‘just in time release’ should be applied for releases in respect of all payments to the extent possible” and to bring about more efficiency in cash management at both Centre and States level, it has been decided to introduce an alternative fund flow mechanism named SNA – SPARSH (समयोचित प्रणाली एकीकृत शीघ्र हस्तांतरण – Real time System of Integrated Quick Transfers) for CSS funds through an integrated framework of PFMS, State IFMIS and e-kuber platform of Reserve Bank of India (RBI) in a progressive manner. The names of schemes and States to be covered by the alternative fund flow mechanism will be notified from time to time.

3. Following procedure will be followed by the State Governments concerned and the Ministries/Departments of the Government of India for the schemes notified for implementation in SNA –SPARSH model -

- i. Ministry/Department concerned of the Government of India shall open a drawing account with RBI under the existing User Defined Customer Hierarchy (UDCH) code of the Ministry/Department concerned.
- ii. The State Government will designate a Single Nodal Agency (SNA) for implementing each State Linked Scheme (SLS) corresponding to a CSS. Existing SNAs under the “SNA model” may also be designated as SNAs under SNA- SPARSH model.

*Rectd by*

- iii. The State Government shall open SLS wise drawing accounts of SNA in RBI. Before opening of drawing account of an SLS, State Government and Ministry/Department concerned of GoI shall ensure that the Centre-State fund sharing ratio is uniform under all components of that SLS. In case of Umbrella schemes having multiple sub schemes/components with varying sharing patterns, State Governments in consultation with Ministry/Department concerned should open separate SLS for sub schemes/components with different sharing ratio.
- iv. After opening of aforesaid drawing accounts in RBI by the Ministries/Departments and the State Governments, the Ministries/Departments and the State Governments will approach the PFMS division, O/o CGA for on boarding the scheme onto SNA-SPARSH platform of PFMS by 'marking' of the CSS on PFMS. Simultaneously, the State Governments shall map the CSS with corresponding SLSs as per the existing protocol.
- v. Upon on boarding of a scheme onto SNA- SPARSH platform, the State Government shall close all the SNA accounts pertaining to the scheme and return the Central share of unspent balance lying in the SNA accounts to the Consolidated Fund of India (CFI). Similarly the State share of unspent balance in the SNA accounts should be returned to the Consolidated Fund of the State. Further, the central share under the scheme lying in State treasury should also be returned to the CFI. Detailed procedure for calculation and return of the unspent amount will be issued separately.
- vi. Once a CSS is on boarded onto SNA-SPARSH platform of PFMS, Ministry/Department concerned shall use only the SNA- SPARSH platform to release funds under the scheme as per the guidelines contained in this OM and further guidelines issued in the matter. The use of SNA platform to release funds as per DoE's guidelines dated 23rd March, 2021 shall be stopped immediately after on boarding of the CSS onto SNA- SPARSH platform.
- vii. In the beginning of a financial year, the Ministries/Departments will create a 'mother sanction' in PFMS for a State for a CSS. The 'mother sanction' will define State wise drawing limit of the Ministry/Department for that CSS. The mother sanction may be modified by the Ministry during the year with the concurrence of the IFD.
- viii. The SNA and the Implementing Agencies (IAs) down the ladder shall be registered in State Integrated Financial Management Information System (State IFMIS).
- ix. Whenever the SNA/IAs needs to make payment to vendors/beneficiaries, the SNA/IA will generate payment files in State IFMIS. The payment files generated by SNA/IAs will be consolidated by State treasury in State IFMIS periodically after thorough scrutiny.
- x. In the case of States where the IT system is not ready to onboard a large number of agencies with proper protocol, the agencies may submit manual claims to State treasury which in turn shall process these claims in the State IFMIS.

*P. K. S. S.*



- xii. State Government will develop a State Cyber Treasury wherein all payment files with SLS tags from the SNA/IAs could be received for payment and the vouchers could be compiled for accounting purpose. The State Cyber Treasury shall make the provision of 'flags' to identify the SNA/IA which has raised the claim and the SLS to which the claim pertains to.
- xiii. State Government/treasury will share the consolidated payment file with PFMS for advance release of Central share.
- xiv. After receiving the consolidated payment file on PFMS, the Ministry/Department concerned will generate a sanction equivalent to the central share specified for the SLS on PFMS and transfer the central share of funds from centre's drawing account to the State's drawing account. Thus, State's drawing account shall be pre-funded with central share. After release of central share of funds, the mother sanction for the centre's drawing account for the scheme for the State will be reduced by an equivalent amount.
- xv. Payment files received from State Treasury in PFMS till the cut-off time of 3 PM during a working day will be processed and sanction for the central share will be generated on the same working day. Sanction for the central share for payment files received beyond the cut-off time of 3 PM may be generated on the next working day.
- xvi. Upon receipt of Central share, the consolidated payment file in State IFMIS will be auto pushed from State IFMIS to RBI. RBI shall debit the State's drawing amount by the total amount of the payment file and release payments to vendors/beneficiaries as per the instructions contained in the payment file. RBI will share the Debit notification of this payment with both PFMS and State IFMIS.
- xvii. In some schemes, the State Governments are releasing 'top up' amount in addition to the Central share and State share. State IFMIS and PFMS shall maintain a master database of proportion of Central, State share and the top up amount in such schemes. Payment files of such schemes will mandatorily include the 'top up' amount separately in line with the proportions in the master database and the Central share will not be calculated on the 'top up amount'. In case of schemes having 'top up' by State Government, Ministries/Departments shall not generate the sanction for central share against the payment files which are not reflecting the top up amount separately.
- xviii. There shall be periodic reconciliation and settlement of funds including failed transactions between Centre and State. The consolidated payment file pushed by State IFMIS to PFMS will mandatorily have the flagging for reinitiated transactions against previously failed transactions (if applicable) to avoid duplicate payments.
- xix. Funds will remain in respective consolidated funds and will be released to the beneficiaries/vendors just in time. The funds will not be diverted to any Personal Deposit (PD) account or any other account by the State Government.



- xix. UTs without legislature work directly in PFMS and there is no need for them to open account in RBI. Ministries concerned can allow UTs with legislature to operate the concerned budget head through Letter of Authorization. UTs without legislature will ensure that the funds are released to the vendors/beneficiaries 'just in time' and are not parked in a bank account. In case funds are to be released to any agency as per scheme guidelines, provision of Rule 230 (vii) of GFR 2017 will be strictly followed to avoid parking of funds, with agencies.
4. This issues with the approval of Finance Secretary & Secretary (Expenditure).

*Prateek K Singh*  
13/7/23

(Prateek Kumar Singh)

Director (PFC-I)

011-23094961

E-mail: prateeks.98@gov.in

Copy to:

1. PSO to Finance Secretary & Secretary (Expenditure)
2. PSO to Special Secretary (Pers)
3. PSO to AS(PF-S)
4. PPS to CGA
5. Sr. PPS to AS (PFC-II)
6. Sr. PPS to JS (PFC-I)

GOVERNMENT OF ODISHA  
FINANCE DEPARTMENT

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No. 22638 /F,  
FIN-PF-CA-0001-2023

dated 11/08/2023

CORRIGENDUM

The "Directorate of Treasuries & Integration, Odisha" mentioned in para-4 of the Finance Department OM No. 21377/F, dated. 28/07/2023 may be read as "Directorate of Treasuries & Inspection, Odisha".

  
Special Secretary to Government

Memo No 22639 /F,

Date 11/08/2023

Copy forwarded to Principal Secretary to Hon'ble Governor/PS to Hon'ble Chief Minister/ PS to all Hon'ble Ministers / Minister of State/ OSD to Chief Secretary/ PS to DC-cum-ACS for kind information.

  
Deputy Secretary to Government

Memo No 22640 /F,

Date 11/08/2023

Copy forwarded to PS to Additional Chief Secretaries/ Principal Secretaries/ Commissioner-cum-Secretaries, all Departments for kind information of Additional Chief Secretaries/Principal Secretaries/ Commissioner-cum-Secretaries.

  
Deputy Secretary to Government

Memo No 22641 /F,

Date 11/08/2023

Copy forwarded to FAs/AFAs of all Departments for kind information and necessary action.

  
Deputy Secretary to Government



Memo No 22642 /F,

Date 11/08/2023

Copy forwarded to Director of Treasuries and Inspection, DT&I(O), Bhubaneswar for kind information and necessary action.

*Amal*  
11.08.2023

**Deputy Secretary to Government**

Memo No 22643 /F,

Date 11/08/2023

Copy forwarded to Core Banking Division, Department of Information Technology, Reserve Bank of India (RBI), Shahid Bhagat Singh Road, Mumbai-400 001/ RBI Regional Office, Bhubaneswar for kind information and necessary action.

*Amal*  
11.08.2023

**Deputy Secretary to Government**

Memo No 22644 /F,

Date 11/08/2023

Copy forwarded to the O/o AG (A&E), Odisha for kind information and necessary action.

*Amal*  
11.08.2023

**Deputy Secretary to Government**

Memo No 22645 /F,

Date 11/08/2023

Copy forwarded to PFMS State Directorate (SPMU), 2nd Floor, Treasury & Accounts Bhawan, for kind information and necessary action.

*Amal*  
11.08.2023

**Deputy Secretary to Government**