Public Financial Management System - PFMS
O/o Controller General of Accounts, Ministry of Finance

SNA-SPARSH

Ministry of Finance
Department of Expenditure
Controller General of Accounts
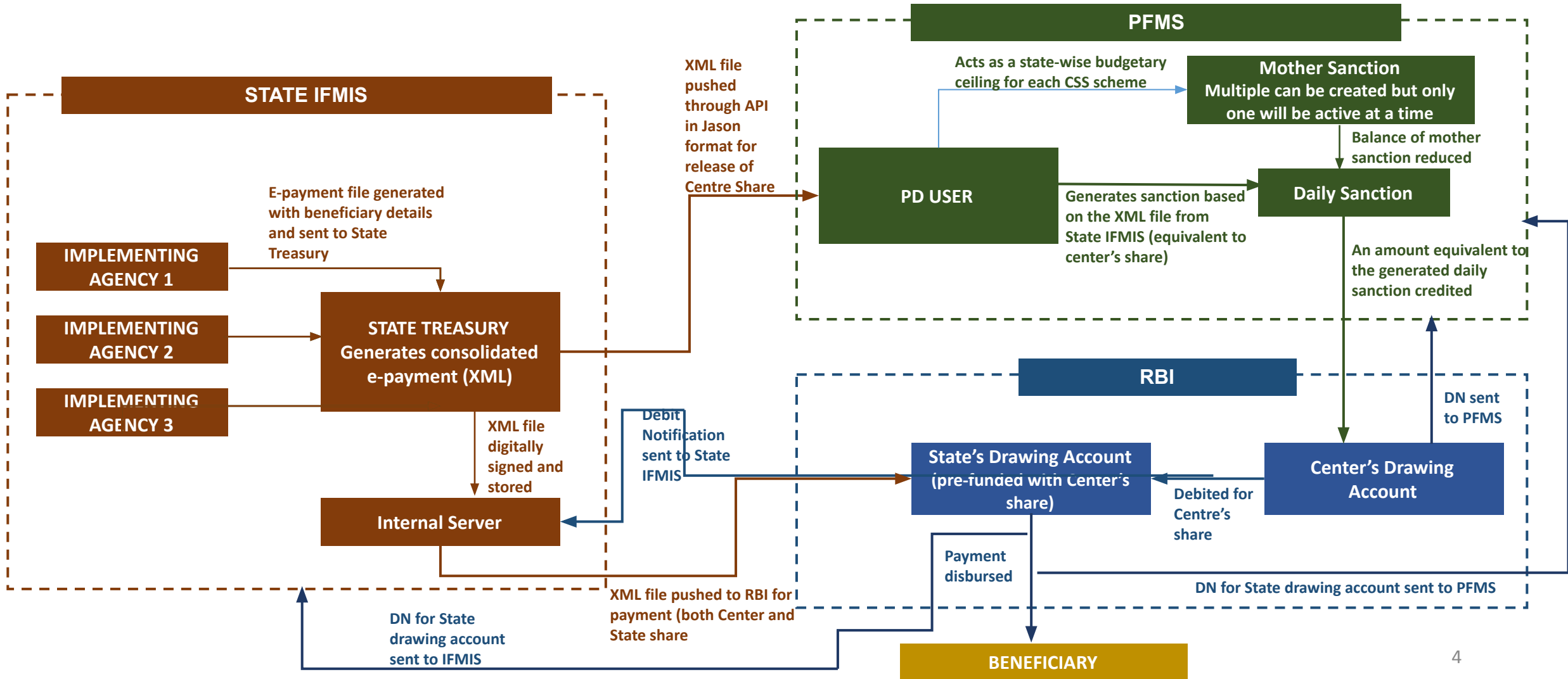**PFMS Division**

What is SNA-SPARSH?

SNA-SPARSH is an attempt to facilitate more effective cash management and with an aim of achieving the goal of "Just–in–time" fund flow from both the Centre and State Consolidated Funds through an integrated network of State IFMIS, e-kuber of RBI.

Why SNA-SPARSH?

- To bring in more efficiency in public expenditure management
- Reduction in the transfer of balances outside the Consolidated Fund of India and States
- Preventing bulk release to SNAs by both the Centre and the States
- Reducing the dependency of States on Ways and Means Advance (WMA) or other short-term borrowings for maintaining liquidity
- Averting idling of funds in the bank accounts of the SNAs until final utilization.

Process Flow for SNA-SPARSH - State IFMIS – e-Kuber(RBI) – PFMS

PFMS

STATE IFMIS

XML file pushed through API in Jason format for release of Centre Share

Acts as a state-wise budgetary ceiling for each CSS scheme

Mother Sanction
Multiple can be created but only one will be active at a time

Balance of mother sanction reduced

PD USER

Generates sanction based on the XML file from State IFMIS (equivalent to center's share)

Daily Sanction

E-payment file generated with beneficiary details and sent to State Treasury

IMPLEMENTING AGENCY 1

IMPLEMENTING AGENCY 2

IMPLEMENTING AGENCY 3

STATE TREASURY
Generates consolidated e-payment (XML)

An amount equivalent to the generated daily sanction credited

XML file digitally signed and stored

Debit Notification sent to State IFMIS

RBI

DN sent to PFMS

State's Drawing Account
(pre-funded with Center's share)

Center's Drawing Account

Internal Server

Debited for Centre's share

Payment disbursed

DN for State drawing account sent to PFMS

XML file pushed to RBI for payment (both Center and State share)

DN for State drawing account sent to IFMIS

BENEFICIARY

4

Stakeholders

Role of Program Division (PD)

- Approve Centre: State ratio mapping
- Approve SG account mapped against SLS by SSM
- Issue the 'Mother Sanction' through PFMS with the concurrence of IFD which shall act as a state-wise drawing limit for each CSS scheme.
- Ensure that a new Mother Sanction is created before the amount of the previous one is exhausted.
- Generate a daily sanction against the mother sanction for an amount equivalent to the Centre's share specified for the scheme through PFMS on the basis of the e-claim file received from State IFMIS
- Ensure that the overall ceiling of the mother sanction is maintained while issuing the daily sanction

PD

PAO   Pr.AO   RBI

PFMS   IFMIS

Stakeholders

Role of PAO

- Map CSS with Central Government (CG) RBI account opened for the purpose.
- Issue an e-payment instruction of an equivalent amount to be sent to the e-kuber based on the daily sanction against the e-payment file received from State IFMIS on PFMS and routed through PD/PrAO.

PD

PAO

Pr.AO

RBI

PFMS

IFMIS

Stakeholders

Role of Pr. AO

- Generate an e-payment instruction of an equivalent amount to be sent to the e-kuber based on the daily sanction against the e-payment file received from State IFMIS on PFMS.

PD

PAO   Pr.AO   RBI

PFMS   IFMIS

Stakeholders

Role of RBI

- Facilitate the opening of the Central Government (CG) Drawing Accounts and SLS-wise State Government (SG) Drawing Accounts.
- Process the e-payment file that would be auto-pushed from the State IFMIS to the RBI on the basis of the DN pushed by PFMS.
- Share Debit Notification with PFMS once the CG account is debited with an amount equivalent to the centre's share against the e-payment file pushed by State IFMIS and with both the State IFMIS and PFMS once the SG account is debited with an amount equivalent to both the center and the state share against the e-payment file pushed by State IFMIS.

Stakeholders

Role of IFMIS

- Open SLS-wise drawing accounts with the RBI in which the Central share will be credited in advance.
- Develop a State Cyber Treasury wherein all e-payment files with SLS tags from the State Implementing Agencies
- Push the SLS-wise consolidated payment file details to PFMS
- Auto-push e-payment file to the RBI only on receipt of the Debit Notification against the advance transfer of Central share (pushed by PFMS through API) of the Centre's drawing account.
- Reconcile the e-payment files pushed to PFMS with the CN received from the RBI through the reconciliation API.
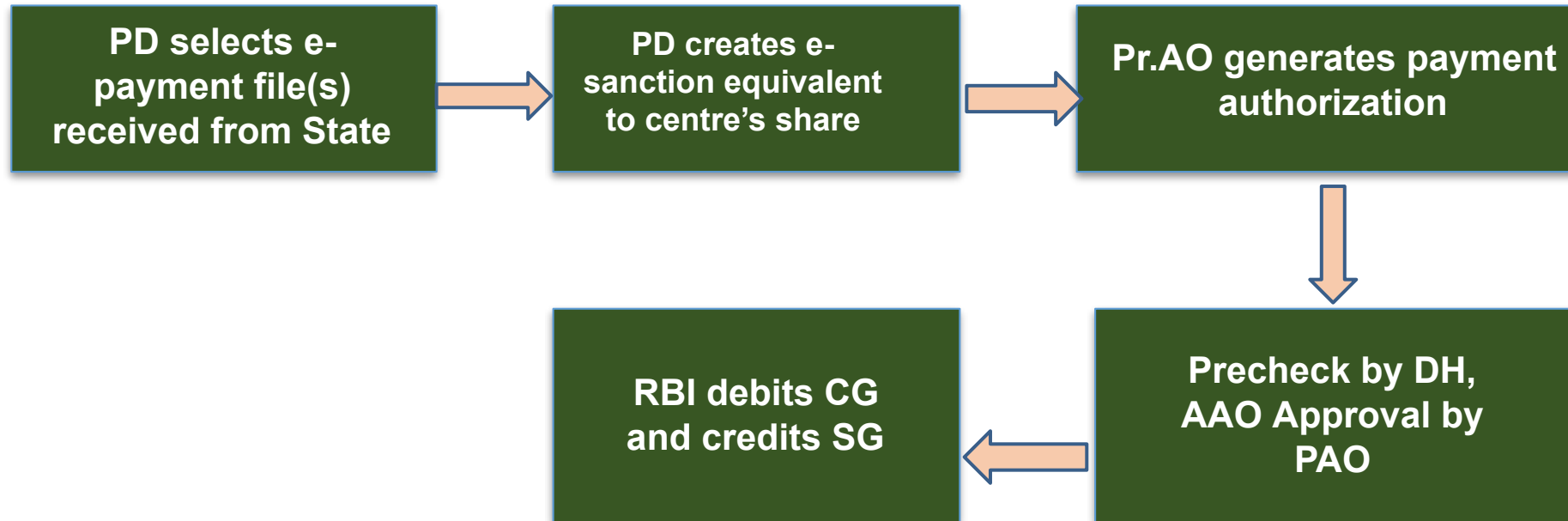
PD

PAO   Pr.AO   RBI

PFMS   IFMIS

Stakeholders

Role of PFMS – State

- State Project Cell will map the CSS with SLSs as per the existing protocol.
- State Scheme Manager will capture the Centre: State ratio, TOP UP and Model for each SLS
- Map SLS with State Government (SG) RBI drawing account

Process Flow for Daily Sanction against Mother Sanction

Thank you