



Government of India
Ministry of Jal Shakti
Department of Water Resources, River Development &
Ganga Rejuvenation

GUIDELINES FOR
SURFACE MINOR IRRIGATION (SMI) SCHEME

UNDER
PRADHAN MANTRI KRISHI SINCHAYEE YOJANA-
HAR KHET KO PANI (PMKSY-HKKP)

January, 2022

**Guidelines for Surface Minor Irrigation (SMI) component
under Pradhan Mantri Krishi Sinchayee Yojana- Har Khet Ko Pani (PMKSY-HKKP)
January, 2022**

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**Guidelines for Surface Minor Irrigation (SMI) component under Pradhan Mantri
Krishi Sinchayee Yojana- Har Khet Ko Pani (PMKSY-HKKP)
January, 2022**

1. INTRODUCTION

Irrigation has played a major role in India's agricultural growth and a substantial share of irrigation is contributed by minor irrigation schemes across the country. These projects involve less gestation period, limited land acquisition and R&R, if any, and create irrigation potential with low investment as compared to medium and major irrigation projects.

Surface Minor Irrigation (SMI) component targeting to provide financial assistance to the identified minor irrigation (irrigation potential less than 2,000 hectare) projects using surface water, was included under Accelerated Irrigation Benefit Programme (AIBP) since 1999-2000 for special category States. Subsequently the scheme was extended to cover other special areas, namely, drought prone area programme (DPAP), tribal, desert development programme (DDP), flood prone, left wing extremism affected and Koraput, Bolangir and Kalahandi (KBK) region of Odisha.

In 2015-16, Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) was launched with an aim to enhance physical access of water on farm and expand cultivable area under assured irrigation, improve on-farm water use efficiency, introduce sustainable water conservation practices etc. Har Khet Ko Pani (HKKP) is one of the components of PMKSY. SMI was included as one of the components of PMKSY-HKKP.

2. ELIGIBILITY CRITERIA AND FUNDING PATTERN

Eligibility criterion for inclusion of new SMI projects, and funding pattern shall be as under:

2.1 Eligibility Criteria

SMI project(s) approved by State Technical Advisory Committee (TAC) and State Level Sanctioning Committee (SLSC), shall be eligible for inclusion under the scheme, as per the following criteria:

Category		Criteria
1.	Special category States: North-Eastern states, Hilly states (Himachal Pradesh, Jammu & Kashmir and Uttarakhand) and drought prone undivided Koraput, Bolangir and Kalahandi (KBK) districts of Odisha, Bundelkhand region of UP and MP, and Marathwada & Vidharbha region of Maharashtra	<p>(i) Individual project having cultivable command area (CCA) \geq 10 hectare OR Cluster of MI projects within radius of 5 km having CCA of 20 hectare or more.</p> <p>(ii) Project(s) having benefit cost ratio of more than 1.0</p> <p>(iii) Development cost per hectare of CCA of individual project is to be upto Rs. 4 lakh. However, in case of it being more than Rs. 4 lakh per hectare, the project(s) can still be included provided the additional cost is justified and the State is ready to bear the entire development cost above Rs. 4 lakh per hectare.</p> <p>(iv) Project(s) included under District Irrigation Plan (DIP).</p>
2.	Non-special category States: Project(s) benefitting areas fulfilling one or more of the following: tribal, drought-prone development programme, desert development programme, flood prone, or left wing extremism affected areas.	<p>(i) Individual project having CCA more than or equal to 20 hectare OR cluster of MI projects within radius of 5 km having total CCA of 50 hectare or more.</p> <p>(ii) Project(s) having benefit cost ratio of more than 1.0</p> <p>(iii) Development cost per hectare of CCA of individual scheme is up to Rs.4.0 lakh. However, in case of it being more than Rs. 4 lakh per hectare, the scheme can still be included provided the additional cost is justified and the State is ready to bear the entire development cost above Rs. 4 lakh per hectare.</p> <p>(iv) Project(s) included under District Irrigation Plan (DIP).</p>

(Projects not benefitting any of the above areas, are not eligible for inclusion).

Note: 1. The ceiling of development cost of the SMI project(s) is up to Rs. 4.0 lakh per hectare. However, if the cost of implementation of the SMI project(s) is more than the development cost ceiling fixed for the SMI project(s) and it is important to implement the scheme for overcoming hardship of the people in the region, higher development cost may be allowed provided the entire balance cost over and above Rs. 4 lakh per hectare is to be borne exclusively by the State Government/ UT. Thus, in such cases central assistance would be provided only upto 4.0 lakh per hectare.

2. Ongoing SMI projects which have already been included for funding under PMKSY-HKKP prior to the financial year 2021-22, shall remain to be governed as per the latest MoU signed with DoWR, RD&GR, for all aspects. The changes proposed in the current guidelines, including the development cost norms, shall be applicable only for those SMI projects which are included under the scheme for the financial year 2021-22 onwards.

2.2 Funding Pattern

S.No.	Category	Funding Pattern
1.	All Union Territories (UTs)	100 % Central funding for UTs without legislature 90 (Centre) : 10 (State) for UTs with legislature
2.	Seven North-Eastern states including Sikkim, & Hilly States (Himachal Pradesh and Uttarakhand).	90 (Central): 10 (State)
3.	Project(s) benefitting special areas i.e, undivided Koraput, Bolangir and Kalahandi (KBK) districts of Odisha, Bundelkhand region of UP and MP, Marathwada & Vidharbha region of Maharashtra, Naxal affected areas, DPAP areas, tribal areas, flood prone area, desert development programme (DDP) area of other States/UTs	60 Central) : 40 (State)

3. TERMS OF FUNDING

3.1 The estimated cost at the time of inclusion of any new project under the scheme of

PMKSY-HKPP shall be frozen for the purpose of working out the quantum of central assistance, with the States being at liberty to fund the balance cost of the project from their own resources.

3.2 The time period of completion of SMI projects will be two financial years, subsequent to the financial year of first release of central assistance.

3.3 For the project(s) which are not going as per schedule, time extension from the stipulated date of completion as per MoU, may be allowed based on justifications provided by the State with the approval of Mission Director, PMKSY and Secretary, Department of Water Resources, River Development & Ganga Rejuvenation.

3.4 However, for projects included under the scheme prior to June, 2017, escalation of cost by maximum 20% of the original cost shall be allowed during the period of funding under the scheme. Further escalation beyond 20% beyond the cost at the time of inclusion of the project under the scheme, if any, is to be borne entirely by the State Government.

3.5 Funding under the scheme is limited to only the balance cost of works components at the time of inclusion of the project under the scheme. Expenditure already incurred on the project is not covered.

3.6 Expenditure on the project/scheme would be considered for expenditure incurred in 15th Finance Commission, i.e., starting financial year 2021-22, on cumulative basis for providing central assistance. Reimbursement of central assistance would be permitted for expenditure incurred during the previous year(s), in case a State could not avail central assistance for the same during those year(s) due to inadequate budget or any other reason.

3.7 For the projects being taken up under the scheme, convergence with other Central Government/ State Government schemes may be dove-tailed, to the extent possible. However, the details of such convergence needs to be spelt out explicitly in the proposal, to enable firming up the eligible central assistance accordingly. Further, the details in this regard may also be brought out in the MoU, release proposals and monitoring reports.

4. RELEASE OF FUNDS

4.1 Necessary budget provision for the total amount proposed to be spent by the State Government in a financial year, including both central and state shares, are to be kept in the

State Plan Budget for the relevant year. Based on the same, central assistance (CA) eligibility is to be worked out.

4.2 State Government concerned will be required to enter into an MoU (**Annexure-II**) with the DoWR, RD&GR for each individual project/ each cluster of projects under the programme indicating estimated cost, potential to be restored, year-wise phasing of expenditure, and the target date of completion.

4.3 Transfer of funds under the scheme would be in terms with the Single Nodal Agency provisions of Government of India, as prevalent from time to time. The details in this regard, as stipulated by Ministry of Finance, are placed at **Annexure – V**. Further, release and monitoring of central assistance shall be in compliance with the stipulations of Ministry of Finance, as modified from time to time. Some of the key aspects of the SNA provisions are brought out below for ready reference:

- a. Funds will be released to the States strictly on the basis of balance funds of the centrally sponsored scheme (CSS) – Central and State share available in the State treasury and bank account of Single Nodal Agency (SNA) as per PFMS.
- b. Except in case of no State share, States will maintain separate budget lines for Central and State share under the scheme in their Detailed Demand for Grants (DDG), and make necessary provisions of the State share in the State's budget. While releasing funds to SNA, State's Integrated Finance Management Information should provide these budget heads and the same should be captured in PFMS through treasury integration.
- c. In the beginning of a financial year, this Department will release not more than 25% of the amount earmarked for a State for a CSS for the financial year. Additional central share (not more than 25% at a time) will be released upon transfer of the stipulated State share to the SNA account and utilization of atleast 75% of the funds released earlier (both Central and State share) and compliance of the conditions of previous sanctions.

4.4 The subject matter division (SMD) in the Department may take approvals for the entire release proposed in a year, or a part thereof, in one go. It can then take up actual releases in tranches, 25% of the yearly target at a time, based on the utilization of atleast 75% of

funds (both Central and State share) released earlier as per review of balance in the concerned SNA account.

4.5 However, the terminal installment of central assistance shall be released while the project is getting completed on reimbursement basis, after the State has completed the project and submitted the completion certificate.

4.6 Utilization certificate (UC) shall be issued by the Chief Engineer of the project and counter signed by Secretary (Water Resources / Irrigation) / Secretary (Finance) of the State Government as per format of GFR-19A (**Annexure-III**). Further, the State Government shall provide project/ cluster wise details of funds available and utilized from the SNA account on quarterly basis.

4.7 The release proposal to be submitted by the State Government should include physical & financial progress up to the previous financial year, targets for the remaining financial years, district benefitted, number of people benefitted and number of SC/ST people benefitted from individual project/ cluster. Employment generation due to works on this project/ cluster during the last financial year may also be mentioned in the progress.

4.8 The State Government shall provide annual audited statement of expenditure incurred with a lag of upto one financial year, during the implementation period of the scheme. Thus the annual audited statement of expenditure for 2021-22 is mandatorily required to be provided with the proposal for first installment during the financial year 2023-24.

4.9 For expenditure to be made on the projects beginning financial year 2021-22, if the State has already utilized its State share component before release of CA, the state not need make budgetary provisions for the state share. Expenditure on the project/scheme would be considered on cumulative basis for providing CA. Reimbursement of CA would be permitted for expenditure incurred during the previous year(s), in case State could not avail CA for the same during that year(s) due any other reason. However, this clause is operable only for expenditure made in the current financial year onwards, and not applicable for the expenditures made upto March, 2021.

5. SUBMISSION OF PROPOSALS

5.1 Detailed Project Report (DPR) of each SMI project is to be prepared by the State Government, in consultation with Panchayat Raj Institution. The DPR is to be submitted to

the Regional Office of CWC, for appraisal along with the supporting documents duly authenticated by the Officer of concerned State Government, not below the rank of Engineer-in Chief of the concerned Department, after the approval of State Technical Advisory Committee & State Level Sanctioning Committee.

5.2 Once the appraisal process is successfully completed by the CWC Regional office, the proposal for inclusion of the project (or cluster of projects) is to be forwarded to the State Projects Wing of Department of Water Resources, River Development & Ganga Rejuvenation.

5.3 For on-going projects being funded under the Scheme, the proposal for central assistance is to be submitted to the CWC Regional Office, along with utilization certificate, budget provisions, and supporting documents such as audited statement of account, concurrent evaluation report, etc. The CWC Regional office, after detailed examination and on being satisfied with the proposal, is required to recommend the same to the State Projects Wing of Department of Water Resources, River Development & Ganga Rejuvenation (DoWR, RD&GR), along with the requisite enclosures.

5.4 A flow chart for implementation arrangement is given at **Annexure-I**.

5.5 For the projects being taken up under the scheme, convergence with other Central Government/ State Government schemes may be dove-tailed, to the extent possible. However, the details of such convergence needs to be spelt out explicitly in the proposal, to enable firming up the eligible central assistance accordingly. Further, the details in this regard may also be brought out in the MoU, release proposals and monitoring reports.

6. IMPORTANT POINTS TO BE TAKEN INTO CONSIDERATION WHILE SUBMITTING THE PROPOSAL FOR CENTRAL ASSISTANCE

6.1 Priority will be given for completion of ongoing SMI project(s).

6.2 Panchayati Raj Institutions have to be consulted at an appropriate level by the Irrigation/ Water Resources Department of the concerned State at the time of preparation of DPR.

- 6.3 State governments will be required to enter into an MoU with the DoWR, RD & GR as per **Annexure-II** for each individual project/ cluster of projects under the scheme.
- 6.4 Utilization Certificate (UC) shall be issued as per the prescribed format, i.e., GFR-19 (A) placed at **Annexure – III**. It is to be issued by the Chief Engineer of the project and countersigned by Secretary (Water Resources/Irrigation) of the concerned State Government.
- 6.5 The quarterly physical target and progress certificate for the scheme shall be issued by the Chief Engineer of the project and countersigned by Secretary (Water Resources/ Irrigation) of the State Government. The same may be forwarded to the CWC Regional Office by first week of July, October, January, and April, for each year of implementation.
- 6.6 If the State Government fails to comply with the agreed date of completion, the grant component released may be treated as loan and recovered as per usual terms of recovery of the central loan.
- 6.7 The States would be required to submit audited statements for expenditure incurred, within nine months of the completion of the financial year. In absence of the same, release of central assistance of the following years may not be processed.
- 6.8 Concurrent evaluation of the project(s) to be submitted by the State Government at the end of each financial years, during the period of funding.
- 6.9 Proposal for release of next installment of central assistance must invariably include physical & financial progress up to the previous financial year, and targets for the remaining financial year along with their unique identification no, district benefitted, number of people benefitted and number of SC/ST people benefitted for individual project(s). Employment generation due to works on this scheme during the last financial year may also be mentioned in the progress.
- 6.10**An undertaking is to be submitted by the State Government for inclusion of new

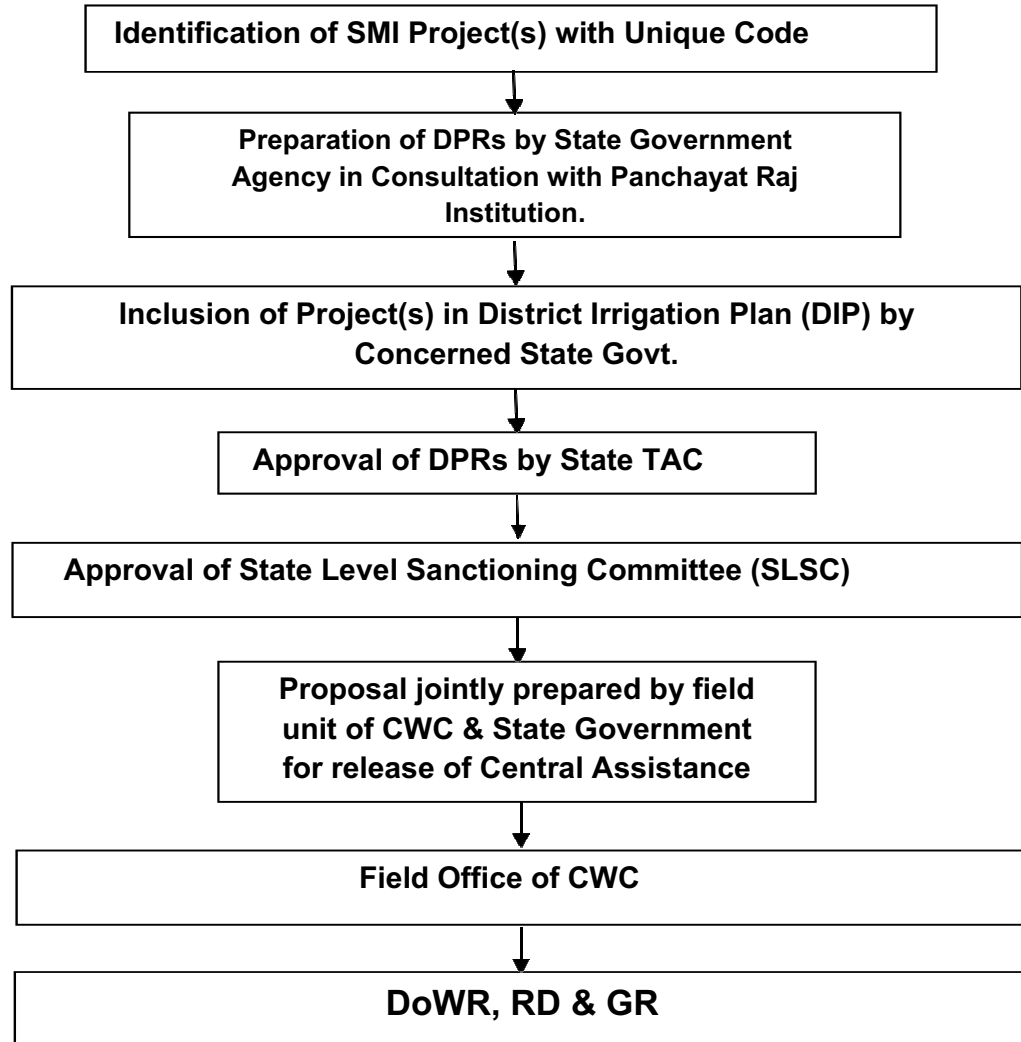
project(s) under SMI in non-special category states as per **Annexure-IV**.

7. MONITORING & EVALUATION

- 7.1 Close monitoring of the minor irrigation project(s) has to be done by the State Government based on Geographic Information System (GIS) maps and each project included under the SMI scheme is to be given a unique identification code (UIC). Monitoring by the State Government is required to be done through agencies independent of construction agencies.
- 7.2 These project(s) would also be monitored periodically on sample basis (at least 20% of MI project(s) each year) by the concerned Regional Offices of Central Water Commission, to be assessed against targets mentioned in the MoU.
- 7.3 Concurrent evaluation is to be carried out for the SMI projects by the State Government through independent agency.
- 7.4 Post implementation evaluation and impact assessment of the projects shall be carried out by DoWR,RD&GR on sample basis, for a few selected projects.

Annexure-I

IMPLEMENTATION ARRANGEMENTS



Note: Copy of each proposal for inclusion and/or next installment of central assistance submitted to DoWR, RD & GR, shall also be forwarded to concerned Directorate/Organisation of CWC (HQ) for coordinating, monitoring & maintaining overall status of SMI project(s) in the countr.

Annexure-II

Memorandum of Understanding between Department of Water Resources, River Development & Ganga Rejuvenation (DoWR, RD & GR), Government of India, and Government of.....regarding inclusion of project/ cluster of projects under Surface Minor Irrigation component of PMKSY-HKPP.

1. This Memorandum of Understanding is made between the Department of Water Resources, River Development & Ganga Rejuvenation, Government of India, and the Government offor the completion of.....number of Surface Minor Irrigation (SMI) project(s) in the next two (2) financial years with central assistance (CA) under SMI component of PMKSY –HKPP.
2. The above referred SMI project(s) was/ were approved by the State Technical Advisory Committee (TAC). Further, the project(s) has/ have been approved by SLSC in its meeting held on for Rs.....crore to irrigate.....hectare annually.
3. The latest approved estimated cost of the project(s) is Rs.....crore at.....price level. The expenditure upto..... is Rs.....crore, and a potential of..... hectare has already been created.
4. The balance cost for completion of the project is thus Rs. crore with a balance potential ofhectare. The physical and financial details of the components to be covered under this programme are annexed. The physical year- wise target for creation of irrigation potential are as under:

Year of inclusion-----.

Irrigation potential to be created under SMI - hectare.

Irrigation potential in 1st year - hectare, and in 2nd year, hectare. .

5. The DoWR, RD&GR agrees to extend central assistance to cover the full balance cost of Rs..... crore for the completion of the project(s) in the next two (2) financial years subject to the following conditions:

- i) The project will be completed by the Government ofby....., under intimation to DoWR, RD&GR.
- ii) The release pattern will be as given in the present Guidelines.
- iii) The project(s) will be monitored by CWC, as per the guidelines. Quarterly progress report in respect of the SMI project(s) shall be submitted to the CWC and DoWR, RD & GR by 7th January, April, July and October, positively.
- iv) The State Government shall ensure required quality control in the execution of the works.

Signed on this day20..... at New Delhi.

<p>For and on behalf of the Govt. of.....</p> <p>Secretary, Government of.....</p>	<p>For and on behalf of Government of India</p> <p>Commissioner (SPR) DoWR, RD&GR</p>
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Annexure-III

FORM GFR 19-A

[See Rule 2012 (1)] Form of Utilization Certificate

Sl. No.	Letter No. and date	Amount	
			Certified that out of Rs..... of grants-in-aid sanctioned during the year in favour of under this Ministry/Department letter No. given in the margin and Rs.on account of unspent balance of the previous year, a sum of Rs. has been utilized for the purpose of.....for which it was sanctioned and that the balance of Rs. remaining unutilized at the end of the year has been surrendered to Government (vide No., dated....) / will be adjusted towards the grants-in-aid payable during the next year.....
		Total	

1. Certified that I have satisfied myself that the conditions on which the grants-in-aid was sanctioned have been duly fulfilled/ are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of checks exercised

- 1.
- 2.
- 3.
- 4.

Signature.....

Designation.....

Date.....

**UNDERTAKING BY THE STATE GOVERNMENT FOR INCLUSION OF
NEW SMI PROJECT(S) IN SPECIAL CATEGORY STATES**

To

The Secretary,
DoWR, RD&GR
New Delhi.

The State of _____ acting through (name, designation) _____
_____, Ministry /Department of _____ Government ofhereinafter
referred to as "the SG", do hereby declare and undertake as follows:

- i) The SG agrees for the completion of SMI project(s) on schedule.
- ii) Quarterly progress report in respect of the Surface Minor Irrigation Project(s) being implemented under PMKSY (HKKP) shall be submitted to the Government of India by 7th January, April, July and October, of each year during its implementation.
- iii) The SG will form water users association for post construction maintenance and formation of such water users association shall be intimated to the Government of India within one year from the date of signing of the Undertaking.
- iv) In case of failure to complete the project(s) as per the terms of the MoU, the central share provided under the scheme may be treated as withdrawn and recovered in one lump sum instalment with interest, as prescribed by the Ministry of Finance.

Date: ----- Signature-----

Place----- Secretary (WR/Irrigation)

Govt. of-----

For and on behalf of the Governor of the State _____

In presence of
(Witness)

Commissioner (SPR)
Government of

DoWR, RD & GR, MoJS

*(Authorized State representative for signing on behalf of State Government is
responsible for Irrigation and CADA components of the Project)*

MOST URGENT

No. J-18001/2/2017-Fy (E-4688)
Government of India
99883/2021/Fisheries-DOF: Ministry of Fisheries, Animal Husbandry and Dairying
Department of Fisheries

Krishi Bhawan, New Delhi
Dated the 8th April, 2021

To

Addl. Chief Secretaries/ Principal Secretaries,
Secretaries, Department of Fisheries of all the States/UTs

Subject: Procedure for release of funds under the Centrally Sponsored Schemes and monitoring utilization of funds released-Regarding.

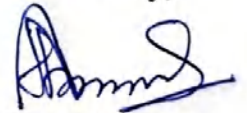
Madam/Sir,

I am directed to refer to the captioned subject and forward herewith the OM received from Department of Expenditure (DoE), Ministry of Finance dated 23rd March, 2021 with regard to modified procedure for release of funds under the Centrally Sponsored Schemes and monitoring utilization of funds released (Copy Enclosed). For effective cash management and bringing more efficiency in the public expenditure management, DoE issued the procedure which has 25 points as mentioned in the said OM. The modified procedure shall supersede all earlier guidelines on the subject and shall be implemented w.e.f. 1st July, 2021.

2. It is therefore, requested that the release of funds in respect of Central Sponsored Schemes may be reviewed and the procedures mentioned may kindly be followed strictly.

Encl: As above

Yours faithfully,



(Saju K. Surendran)
Director (FE)

Copy for information & necessary action:

1. Director/Commissioner (Fisheries), Department of Fisheries of all the States/UTs
2. Chief Executive, National Fisheries Development Board, Hyderabad

F. No. 1(13)PFMS/FCD/2020
Government of India
Ministry of Finance
Department of Expenditure
PFMS Division

Block No.11, 5th Floor,
CGO Complex, Lodhi Road,
New Delhi, dated 23.03.2021

OFFICE MEMORANDUM

Subject: Procedure for release of funds under the Centrally Sponsored Schemes (CSS) and monitoring utilization of the funds released

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 of availability and utilization of funds released to the States under the Centrally Sponsored Schemes (CSS) and to reduce float, the Department of Expenditure vide letter of even number dated 16.12.2020 had shared a draft modified procedure for release of funds under CSS with all the State governments and Ministries/Departments of the Government of India to seek their comments. The comments received from the State governments and Ministries/Departments of the Government of India were considered and the procedure has been suitably modified.

With a view to have more effective cash management and bring more efficiency in the public expenditure management, it has been decided that the following procedure will be followed by all the State Governments and Ministries/Departments of the Government of India regarding release and monitoring utilization of funds under CSS with effect from 1st July, 2021:

1. Every State Government will designate a Single Nodal Agency (SNA) for implementing each CSS. The SNA will open a Single Nodal Account for each CSS at the State level in a Scheduled Commercial Bank authorized to conduct government business by the State Government.
2. In case of Umbrella schemes which have multiple sub-schemes, if needed, the State Governments may designate separate SNAs for sub-schemes of the Umbrella Scheme with separate Single Nodal Accounts.
3. Implementing Agencies (IAs) down the ladder should use the SNA's account with clearly defined drawing limits set for that account. However, depending on operational requirements, zero-balance subsidiary accounts for each scheme may also be opened for the IAs either in the same branch of the selected bank or in different branches.
4. All zero balance subsidiary accounts will have allocated drawing limits to be decided by the SNA concerned from time to time and will draw on real time basis from the Single Nodal Account of the scheme as and when payments are to be made to beneficiaries, vendors etc. The available drawing limit will get reduced by the extent of utilization.

5. For seamless management of funds, the main account and all zero balance subsidiary accounts should preferably be maintained with the same bank. However, State Government may choose different banks for opening Single Nodal Accounts of different CSS.
6. Only banks having a robust IT Systems and extensive branch network should be chosen for opening the Single Nodal Account of each CSS. The bank chosen should have the facility to open the required number of subsidiary zero balance accounts and a robust MIS for handling accounting and reconciliation at each level. The bank should also provide a user friendly dashboard to officers at various levels to monitor utilization of funds by IAs.
7. The bank's software system should be able to monitor the drawing limits of the IAs who should be able to draw funds on real time basis from the SNA's account as and when payments are to be made. The selected bank should ensure proper training and capacity building of branch managers and other staff for smooth operation of these accounts.
8. The Ministries/Departments will release the central share for each CSS to the State Government's Account held in the Reserve Bank of India (RBI) for further release to the SNA's Account.
9. Funds will be released to the States strictly on the basis of balance funds of the CSS (Central and State share) available in the State treasury and bank account of the SNA as per PFMS or scheme-specific portals fully integrated with PFMS in consonance with rule 232(V) of the General Financial Rules, 2017.
10. The SNAs shall ensure that the interest earned from the funds released should be mandatorily remitted to the respective Consolidated Funds on pro-rata basis in terms of Rule 230(8) of GFR, 2017. Interest earned should be clearly and separately depicted in PFMS, scheme-specific portals integrated with PFMS and in MIS provided by the banks.
11. Except in case of schemes/sub-schemes having no State share, States will maintain separate budget lines for Central and State Share under each CSS in their Detailed Demand for Grants (DDG), and make necessary provision of the State share in the State's budget. While releasing funds to SNA, State's Integrated Financial Management Information System (IFMIS) should provide these budget heads and the same should be captured in PFMS through treasury integration.
12. In the beginning of a financial year, the Ministries/Departments will release not more than 25% of the amount earmarked for a State for a CSS for the financial year. Additional central share (not more than 25% at a time) will be released upon transfer of the stipulated State share to the Single Nodal Account and utilization of at least 75% of the funds released earlier (both Central and State share) and compliance of the conditions of previous sanction. However, this provision will not be applicable in case of schemes where a different quantum of release has been approved by the Cabinet.
13. After opening of Single Nodal Account of the scheme and before opening zero balance subsidiary account of IAs or assigning them drawing rights from SNA's account, the IAs at all levels shall return all unspent amounts lying in their accounts to the Single Nodal Account of the SNA. It will be the responsibility of the State government concerned to ensure that the entire unspent amount is returned by all the IAs to the Single Nodal Account of the SNA concerned. For this, the State Governments will work out the modalities and the timelines and will work out Central and state share in the amount so available with IAs.

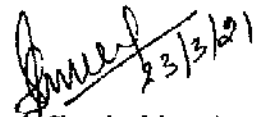


99883/2021/Pishenig-DOF
23. In case of CSS having no State share and where as per the scheme guidelines, funds are released by the Central Ministry/Department directly to the districts/blocks/Gram Panchayats/Implementing agencies, the requirement of notifying a single Nodal Agency and opening of a Single Nodal Account at the State level may be waived by the Secretary of the Central Ministry/Department concerned in consultation with the Financial Adviser.

24. UTs without legislature work directly in PFMS. Therefore, there is no need for them to open a Single Nodal Account. They will ensure that the funds are released to the vendors/beneficiaries 'just in time'. In case funds are to be released to any agency as per scheme guidelines, provision of Rule 230 (vii) of GRF 2017 will be strictly followed to avoid parking of funds, with agencies.

25. Ministries/Departments shall undertake monthly review of the release of funds (both the Central and State Share) from the State treasury to the SNA, utilization of funds by SNAs and IAs and outputs/outcomes vis-à-vis the targets for each CSS.

This issues with the approval of Secretary (Expenditure) and shall supersede all earlier guidelines on this subject.


(Subhash Chandra Meena)
Director (FCD)

011-24368543

E-mail: subhash.meena@nic.in

To,

1. All Secretaries to the Government of India
2. All Financial Advisors to the Government of India
3. All Pr. CCAs/CCAs of all Ministries/Departments

Copy to:

1. PSO to Secretary (Expenditure)
2. PPS to CGA
3. Sr.PPS to Addl. Secretary (Expenditure)
4. PSO to Addl. Secretary (Pers)
5. Sr. PPS to JS (PFC-II)
6. Sr. PPS to JS(PF-S)
