



GOVERNMENT OF KERALA

Abstract

Finance Department - Centrally Sponsored Schemes - Single Nodal Agency System - Revised Fund Flow method - Orders Issued.

Finance (Planning-A) Department

G.O (P) No.38/2022/FIN

Dated, Thiruvananthapuram, 26/03/2022

- Read: 1. G.O (P) No. 24/2017/Fin Dated 21/02/2017.
2. G.O (P) No. 137/2020/Fin Dated 20/10/2020.
3. Office Memorandum F.No. 1(13)/FCD/PFMS/2020 dated 23.03.2021 of Department of Expenditure, Ministry of Finance, Government of India.
4. Circular No.44/2021/Fin dated 24/05/2021.

ORDER

Government of India vide Office Memorandum cited above had issued a revised procedure (SNA System) for the implementation of Centrally Sponsored Schemes (CSS) and detailed instructions were issued vide circular cited above. It has been noticed that, still, there are ambiguities over the fund release to Single Nodal Account maintained by Single Nodal Agencies. Hence, the Government Order cited first above is cancelled herewith and Government are pleased to issue the following guidelines, which shall be strictly abided by Administrative Departments and Single Nodal Agencies.

1. The funds under Centrally Sponsored Schemes are released to the State Government through credit to State Government account by Central Ministry on advance/reimbursement basis (in the case of Central Sector schemes funds are released to the State Government or separate agency at State/District level directly by Central line Ministry). On receiving the credit memo regarding Central release of CSS from Reserve Bank of India, Finance (Planning) Department shall report the same to the Administrative Department and Heads of the Departments (HoDs)/Single Nodal Agencies concerned, for the purpose of initiating action for getting the funds released to their Single Nodal Account.

2. In cases where budget provision is available, on receipt of the proposal from Single Nodal Agency, the Administrative Department shall issue fund release order (Central Share and corresponding State share, if any) for

transferring funds directly to the corresponding Single Nodal Account designated for the particular CSS of the Single Nodal Agency.

3. Administrative Department shall invariably release the funds (Central & State share) directly to Single Nodal Account of Single Nodal Agency without routing through STSB/PSTSB account or zero balance subsidiary account maintained by Implementing Agencies. Transactions from State budget head to STSB/PSTSB account or zero balance subsidiary account will not reflect in SNA reports in PFMS and may lead to stoppage of further releases from Government of India.

4. For Centrally Sponsored Schemes, wherein, Central Ministry concerned releases Central shares directly to the Single Nodal Account, without routing through the Consolidated Fund of the State, Administrative Department shall only release the matching State share, if any, to the Single Nodal Account.

5. For Schemes other than 100% Central funded, Administrative Department and Single Nodal Agency shall ensure that the expenditure for release of Central & State shares are booked under corresponding budget heads opened for the classification of Central & State shares.

6. The Administrative Department should also issue administrative sanction for the implementation of the scheme based on the administrative approval from Government of India. No Administrative Sanction is required for existing Central Sector Schemes and Centrally Sponsored Schemes, if there is no change in the unit cost and if no additional State share needed. No further Administrative Sanction is required for Centrally Sponsored Schemes, where allocation increases due to higher level of performances. For new Schemes, one time Administrative Sanction will be issued. Where there is increase in the percentage of State Share, sanction of Finance Department is necessary.

7. Administrative Department and Single Nodal Agency shall ensure that the Government of India share is transferred to Single Nodal Account directly within 21 days of its receipt in State Government account and corresponding State share within 40 days of receipt of Central share in State Government account as stipulated in the para 13 of the circular cited above. The officers who are responsible for release/ transfer of funds will be personally liable for any lapse in this regard.

8. In cases where budget provision is available, but Central share is yet to be received from Government of India, Administrative Department should seek concurrence of Finance Department before issuing fund release orders.

9. In the case of new schemes/existing schemes where there is no/insufficient provision (State share or Central share), Head of the Department/Single Nodal Agency should forward proposal to Finance Department through Administrative Department for providing additional funds along with a copy of the Utilization Certificate (UC), if any of the fund already released. The Administrative Department should forward the proposal to Finance Department within *three* days of the receipt of the same from Head of Department. Finance Department will provide additional funds within *one week* of the receipt of proposal.

10. A copy of any fund release order by Administrative Department invariably be forwarded to the wing concerned in Finance Department and Finance (Planning-A) Department for scrutiny. Lapse on this account will be viewed seriously.

11. In cases where proposals are forwarded to Finance Department for fund release by Administrative Department without exercising the delegation extended under this new dispensation, such proposals will be returned instantly by Finance Department without processing the same and the Administrative Department shall be solely accountable for any such delay on this account.

12. After the close of the financial year, the implementing department/Single Nodal Agency should prepare a reconciled Statement of Expenditure (SoE) and furnish the same to Accountant General (Audit) before **15th of August every year**. On receipt of reconciled SoE from implementing department/Single Nodal Agency, the Accountant General (Audit) will intimate the department/Single Nodal Agency to make available all vouchers at District/Field Office level regarding implementation of the scheme at the headquarters of the implementing department/Single Nodal Agency for audit certification. After verification of vouchers/receipts, Accountant General (Audit) will issue audit certificate and forward the same to Government of India with a copy to the implementing department/Single Nodal Agency and Finance (Planning) Department. The Finance Officer at implementing department/Single Nodal Agency should ensure that the audit certification of the Centrally Sponsored Scheme is completed by December of the next financial year.

13. Funds of Centrally Sponsored Schemes resumed from STSB/PSTSB Account, if any, at the end of Financial Year shall not be credited back to the STSB/PSTSB account. Administrative Department shall ensure that, resumed funds of CSS, if any, shall only be transferred to corresponding Single Nodal Account, based on the proposal from Single Nodal Agency concerned.

14. These guidelines are not applicable to Centrally Sponsored Schemes implemented on reimbursement basis and schemes that are exempted from SNA

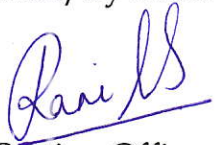
System by the Central Ministry concerned. For those schemes, earlier procedure may be followed, adhering to the guidelines and instructions issued by the Central Ministry concerned.

(BY ORDER OF THE GOVERNOR)
RAJESH KUMAR SINGH IAS
ADDITIONAL CHIEF SECRETARY (FINANCE)

To:

All the Additional Chief Secretaries/Principal Secretaries/
Secretaries to Government.
All the Heads of Departments/Single Nodal Agencies/
Implementing Agencies
The Principal Accountant General (A&E), Kerala,
Thiruvananthapuram.
The Principal Accountant General (Audit) - I, Kerala,
Thiruvananthapuram.
The Principal Accountant General (Audit) - II, Kerala,
Thiruvananthapuram.
The Assistant Controller General Accounts,
PFMS State Directorate, Thiruvananthapuram.
The Director, PIE & M Department.
The Director of Treasuries, Thiruvananthapuram.
Nodal Officer, www.finance.kerala.gov.in
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Forwarded/By order


Section Officer