




drishti

Public Financial Management System (PFMS)

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- The **Public Financial Management System (PFMS)**, earlier known as Central Plan Schemes Monitoring System (CPSMS), is a **web-based online software application** developed and implemented by the **Office of Controller General of Accounts (CGA), Ministry of Finance**.
- PFMS was **initially started during 2009 as a Central Sector Scheme of Planning Commission** with the objective of tracking funds released under all Plan schemes of the Government of India, and real time reporting of expenditure at all levels of Programme implementation.
- **Subsequently in the year 2013, the scope was enlarged to cover direct payment to beneficiaries under both Plan and non-Plan Schemes.**
 - In **2017**, the Government **scrapped the distinction between plan and non-plan expenditure**.
- The **primary objective of PFMS** is to facilitate a sound Public Financial Management System for the Government of India (GoI) by establishing an efficient fund flow system as well as a payment cum accounting network.
- At present, the ambit of PFMS coverage includes **Central Sector and Centrally Sponsored Schemes** as well as other expenditures including the **Finance Commission Grants**.
- PFMS provides various stakeholders with a real time, reliable and meaningful management information system and an effective decision support system, as part of the **Digital India initiative** of GoI.
- PFMS is **integrated with the core banking system** in the country.