

SNAKE CHARMERS TO MOUSE CHARMERS: DIGITAL WAY TO CITIZEN EMPOWERMENT

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These words of Gandhiji would never lose relevance in the Governmental functioning of our country. The biggest dilemma which has loomed large over the minds of policy makers and sentinels of corridors of power in Delhi has been the finances involved with the welfare schemes and questions like how to best manage the finances while ensuring that the benefit trickles down to the end beneficiary in a timely manner. In this regard, the age of public awareness, media and information technology has changed the perspective as society knew it, gone are the days of Government being the master, gone are the days of bureaucrats acting as high and mighty. Today's citizen is aware of his rights and entitlements and he seeks the same through various channels and mechanisms. Hence, it becomes pertinent to bring about maximum possible transparency in the flow of finances to and fro governmental coffers.

Digital India Drive:

One such societal revolution was silently brought in by the idea of the Public Financial Management System (PFMS). The baby of the erstwhile Planning Commission, initially envisaged to track the flow of funds from the Consolidated Fund of India to various Central Government Schemes implementing agencies and end beneficiaries has been up scaled manifolds to act as the single point platform to digitize the Financial Management System of the government per the Digital India Drive. While Planning Commission may have been the owner of the idea, the real heroes of grand scheme of things under the umbrella of the Public Financial Management System (PFMS) have been the officers of the Office of Controller General of Accounts.

A perennial problem for the Ministry of Finance has been to decide upon the funding and financing of various welfare schemes of the Central Government, wherein while the Central Government ended up borrowing dear to finance the schemes, and the money instead of reaching the targeted end beneficiary remained parked in

the accounts of various implementing agencies at state, district and block levels. To resolve this basic problem, the PFMS was initially designed to keep track of all money disbursed by the Central Government for welfare schemes and have a watch through various MIS reports as to where does the money lie parked for a long time in the process of reaching the end-beneficiary. For this purpose, a bank integration with over one hundred banks exists to collect the data for bank account of the various agencies responsible to implement the schemes at ground level. Upon witnessing the large scale positive effects, the PFMS was termed as a low-cost-high-impact project and was gradually up-scaled to act as the single Integrated Financial Management platform for the government of India, wherein all the capital and revenue expenditure, all non-tax receipts, all accounting of Government of India receipts and expenditure have to happen on the PFMS platform. Furthermore, the PFMS platform is being integrated with the various state government treasuries to allow flow back of information upon the releases made by the Central Government to the State Governments for various tied and untied purposes.

The sheer numbers speak about the magnitude of the project and the kind of impact it has made on the Public Finance spectrum of the Government. The Union Budget of the year 2017-2018 has a receipt outlay of about 242.5 billion USD of which, the tax receipts are about 185.9 billion USD and non-tax receipts stand at approximately 43.8 billion USD. The net borrowing stand at approximately 82.8 billion USD and net expenditure is pegged at about 325.3 billion USD. This entire gambit of





expenditure for earlier classification of planned and non-planned or present classification of revenue and capital is proposed to be incurred through the PFMS platform. Moreover, of the total expenditure figures, the transfers to state governments stands at about 164.4 billion USD, of the same about 42.4 billion USD is for specified purposes. Also, the transfers to the Union Government entities is pegged at about 114 billion USD. All these amounts to be transferred from net expenditure figures of the Union Budget falls under the initial idea of fund flow tracking via the PFMS.

Any platform of such scale and functionalities without a public interface would be rendered inconsequential in the long run, but the PFMS defies this stereotype with a gradual shift towards public orientation. A gradual movement from just a fund tracking platform to the actual payment, receipt and accounting platform must be forward oriented with a citizen interface and this is what exactly PFMS has become. Wherein except for named few, all the direct benefit transfers are being done to the citizens through PFMS. The total number of DBT transactions done via PFMS for the year 2016-2017 stands at over 380 million for an amount of over 22 billion USD. This transfer directly made into the beneficiary bank account not only plugs the inherent delays and leakages in the system, but also brings in a system which is clean, efficient and reliable and provides a real time picture of scenario to the policy makers. The citizen orientation is completed by providing a direct interface to the beneficiaries wherein they can track all the benefits received in their bank account under various welfare schemes by simply going to the PFMS webpage at <https://www.pfms.nic.in> and a simple click on know your payments. This ushers in a new era of citizen empowerment which coupled with programs like the Jan Dhan Yojana change the entire rules of the game for the citizen oriented governance in the country.

User Friendliness of Platform:

Furthermore, one big area of want for the digital governance is addressed in a comprehensive manner by another platform of PFMS termed as the Non Tax Receipts Portal wherein upon reaching the portal, the citizen or other depositor entity can select the Ministry/Department concerned and the purpose and type of the payment and then go about making the payment through various payment gateways in a manner like any other e-commerce website.

In this age of digital governance and digital economy, there is a push for cashless and electronic means from all segments of the intelligentsia and the Government. Such a drive will have long term positive impacts in terms of bettering of the tax net and curbing black and counterfeit money. This would lead to better availability of funds at the disposal of the Government and citizens would end up benefitting ultimately. In this regard, the awareness of the citizenry is a big hindrance in Indian context wherein a vast majority of population still is unaware of the digital channels which the Government has made available to them, hence initiatives like National Digital Literacy Mission and Digidhan Mela will go a long way in empowering the people. Not only do these drives educate the rural population, but also make them aware of the means to obtain connectivity. The target beneficiaries of the initiatives like PFMS and NTRP would actually be covered by a collective and cohesive efforts of all involved stakeholders. Recent push for Aadhaar for various governmental service delivery channels is another milestone in this regard.

We live in an era where technology changes form before sun sets, but to harness this dynamic character of things and to channelize the same to maximize the citizen orientation and citizen welfare is the new challenge facing the Government today. These fast happening changes are what Dwight Waldo would have called the new era societal turbulence. While we still may have a long way to go to achieve a true citizen orientation, the PFMS and its various platforms are definitely bringing us a step closer towards the same.

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