

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF EXPENDITURE

LOK SABHA

UNSTARRED QUESTION No. 3465

TO BE ANSWERED ON MONDAY, August 10, 2026/ SHRAVANA 19, 1948 (SAKA)

ROLE OF PFMS IN STRENGTHENING DIRECT BENEFIT TRANSFER

3465. Dr. K Sudhakar:
Shri Bhojraj Nag:
Shri G M Harish Balayogi:
Shri Vijay Baghel:
Shri Anurag Sharma:
Smt. Shobhanaben Mahendrasinh Baraiya:
Shri P C Mohan:
Shri Anup Sanjay Dhotre:
Shri Vishweshwar Hegde Kageri:
Shri Yogender Chandolia:
Shri Pradeep Kumar Singh:
Shri Ramesh Awasthi:
Shri Bibhu Prasad Tarai:
Shri Sukanta Kumar Panigrahi:
Shri Alok Sharma:
Shri Haribhai Patel:
Smt. Kamaljeet Sehwat:
Dr. Nishikant Dubey:
Shri Krishna Prasad Tenneti:
Shri Mukeshkumar Chandrakaant Dalal:

Will the Minister of **FINANCE** be pleased to state:

- a) whether the Government has undertaken any review regarding the role of the Public Financial Management System (PFMS) in strengthening implementation of Direct Benefit Transfer (DBT), if so, the details thereof;
- b) the measures undertaken by the Government to improve end-to-end tracking, monitoring, transparency and real time flow of funds through this system;
- c) whether any initiatives have been undertaken by the Government to strengthen integration of PFMS with Central Ministries and State Governments and implementing agencies to ensure effective public financial management, if so, the details thereof;
- d) the manner in which PFMS has contributed towards improving efficiency, accountability and timely fund utilisation and transparency in the implementation of Government Scheme; and
- e) whether the Government proposes any further technological upgradation or policy measures to enhance the effectiveness, interoperability and digital capabilities of PFMS and if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR FINANCE (SHRI PANKAJ CHAUDHARY)

(a) to (e): Yes. A Senior Level Review Committee (SLRC) comprising senior officers of DBT Mission, Cabinet Secretariat, Department of Financial Services (DFS), Department of Expenditure (DoE), Ministry of Electronics and Information Technology (MeitY), and National Informatics Centre (NIC) is mandated to review PFMS to strengthen its implementation including Direct Benefit Transfer (DBT) through PFMS.

As per the directions of the government, PFMS is integrated with multiple external systems (Centre/State Governments/Implementing agency), Banks and NPCI for processing DBT payments, enabling seamless fund transfer and improved interoperability.

The Government has also taken multiple steps to strengthen integration of PFMS with Central Ministries, State Governments and implementing agencies. PFMS has been developed as an end-to-end solution for preparation and processing of beneficiary list; payments to beneficiary (through APB or directly in bank accounts), accounting, generating Utilisation Certificate; and reporting of government funds spent in the Ministries or by the PSUs/Autonomous Bodies and other Implementing Agencies after receiving grant or subsidy from Ministry.

PFMS has provided multiple channels for grievance redressal. DBT Open House is conducted to address the queries and grievances through Video Conferencing. It provides a platform to stakeholders to directly connect with PFMS team. PFMS also uses Customer Relationship Management (CRM) System for systematic and structured handling of grievances raised by stakeholders.

PFMS has been adopted as the unified platform for payment, accounting and reconciliation of transactions across ministries. Protocols for Direct Benefit Transfer (DBT) have been enhanced, including partial acceptance of claim files, advance sharing of Aadhaar data, and integration with external systems. PFMS has contributed significantly towards improving efficiency, accountability and timely fund utilisation in the implementation of Government schemes. Real-time tracking of funds has reduced delays and leakages, while direct beneficiary credit has ensured transparency in disbursement. Automated reconciliation and reporting have strengthened accountability, and the CRM system has improved responsiveness to stakeholders.

Given the dynamic nature of technology, upgrades and enhancements are carried out on a continual basis as part of normal business operations and continuous improvement initiatives.
