

PRASAR BHARATI
(India's Public Service Broadcaster)
Prasar Bharati Secretariat
(Budget & Accounts Section)
6th Floor, Prasar Bharati House,
Copernicus Marg, New Delhi-110001

No. ADG(B&A)/AI/A/CS/2017-18/CFDL /-824-40

Dated/3.03.2019

Accounting Circular No.13

Sub: Implementation of Centralized Fund cum Distribution Limits (CFDL) facility offered by State Bank of India in Prasar Bharati.

Presently, Prasar Bharati Secretariat is transferring funds to its field units based on their fund requirement and budget allocation on monthly basis. The units are giving request for monthly LOC through EMS. In response, Prasar Bharati releases the funds to the concerned DDO units for Salary in dedicated salary bank account and for Expenditure other than salary viz. OAE, PP&SS (Programme Software), RNUs, Kisan, Capital etc. in OAE bank account. It has been noticed that there is always a time lag between transfer of funds in the bank accounts of DDO units and its actual utilization.

As per existing instructions/ guidelines of Prasar Bharati, all DDO units need to maintain CLTD based current accounts for OAE. When Prasar Bharati's Release Section transfers the funds then the funds are initially parked in the bank accounts of DDOs until the Cheque/NEFT request presented in the bank for payment.

In the present system of fund allocation, there is huge time lag between allocation of funds and its utilization. In order to overcome the disadvantages of the existing system of Budget allocation and release of funds to field units, it has been decided to implement Centralized Fund cum Distribution Limits (CFDL) facility offered by State Bank of India (SBI) for OAE bank accounts.

CFDL is an efficient fund management system for deployment of funds in Central account to increase return on CLTD and to monitor the utilization of the funds by the field units of Prasar Bharati. Under CFDL facility, two types of current bank accounts are opened i.e. Central account and Subsidiary account(s). All funds are kept in Central account and funds withdrawal limits are set for Subsidiary bank accounts. The field units can withdraw the funds upto fund withdrawal limit set for their subsidiary account(s). The subsidiary accounts function as a normal current bank account to the extent of deposit and withdrawal of funds are concerned. Initially, on presentation of withdrawal request, the balance of subsidiary accounts will become negative for the time being and at the end of the day, the subsidiary accounts pull the funds from Central account and make its balance zero.

It has been decided that CFDL facility will be implemented in all units of Prasar Bharati located in Delhi including Directorates w.e.f. 01.04.2019 and thereafter, in rest of India w.e.f. 01.05.2019. On or after this cut off date, the IEBR funds for OAE, RNUs, PP&SS etc. will be released through CFDL facility only.



The process for implementation of Centralised Fund cum Distribution Limits (CFDL) in Prasar Bharati in respect of OAE bank account is as follows:

1. Prasar Bharati Release Section has already opened Central account (A/c No. 38244673159) for Expenditure from IEBR under CFDL facility with SBI, New Delhi Main Branch, Parliament Street. The Customer Identification Folio (CIF) of Central Account is 90262336044.
2. All field units are required to open subsidiary current bank accounts for expenditure from IEBR under CIF of Central account as mentioned in Para 1 above with the same authorised signatories which these units are having at present in respect of existing OAE bank accounts. All field units located in Delhi should open the subsidiary bank account for OAE by 25th March, 2019. The field units located in rest of India are required to open subsidiary bank account for OAE latest by 15th April, 2019. The compliance regarding opening of subsidiary account(s) should be sent to Prasar Bharati Release Section immediately after opening the bank account for updating their records for future release of funds. The form for opening of subsidiary bank account is enclosed as Annexure-1.
3. Budget allocation and request for release of funds by field units will be as per the existing practices.
4. For fixation of withdrawal limit, the field units will send their LOC request through EMS as per the existing practice to respective Directorate. Prasar Bharati Release Section will be the custodian of Central account and will periodically fix the limits for withdrawal of fund for each subsidiary account through its banker i.e. SBI New Delhi Main Branch as per the recommendation of Directorates.
5. On or after cut off date as mentioned above, no actual transfer of funds will be made. The funds for expenditures from IEBR will be released to the field units through subsidiary account only.
6. After fixing the limit(s), Prasar Bharati Release section will convey about the limit(s) fixed for the field unit(s) as per existing practices.
7. The field units like CCW, Zonal Engg. Offices, CPC, PAOs etc. which are operating their OAE bank account for Works, Capital Expenditure under Plan Scheme, Kissan and other Central Sector schemes related expenditure will continue to incur such type of expenditure from their existing OAE account. The funds for rest of the purposes which were earlier transferred through OAE account will be disbursed through Subsidiary bank account.
8. A) The field units other than mentioned in Para 7 above should discontinue their transactions from existing OAE bank account from the cut off date as mentioned above for the implementation of CFDL facility for their units. They should not issue any withdrawal request on or after cut off date from the existing OAE bank account and keep the unutilised leaves of cheque books of OAE bank accounts in safe custody.




- B) These field units should transfer the opening balance of unutilised funds as per the Bank Book (i.e. balance reflected in books of account/ Receipts & Payments Account) as on cut off date lying in the existing OAE bank accounts to the Prasar Bharati Release section.
- C) The existing OAE bank account should be kept alive till the clearance of the last cheque/NEFT/RTGS issued from that account or three months from cut-off date, whichever is earlier. The OAE bank accounts of field units in Delhi and rest of India can be kept alive maximum upto 30th June, 2019 and 31st July, 2019 respectively.
- D) After clearance of the last cheque/NEFT/RTGS issued or three months from cut-off date, whichever is earlier, the unutilised cheque leafs/ books of all the existing OAE bank accounts should be returned to the bank and that account should be closed. The unutilised funds, if any, lying in the bank account should be transferred to Prasar Bharati Release Section.
- E) At the time of the closure of the existing OAE bank account, these field units must ensure that there is no pending item in Bank Reconciliation Statement of that account.
9. On transfer of funds, the field units should make necessary entries in Receipts & Payments Account under head 'Inter Current A/c transfer of funds – 'To Prasar Bharati' [sl. no.IV(i)] appearing in the Payments side. Simultaneously, Prasar Bharati Release section will reflect the funds received in R&P A/c under 'Inter Current A/c transfer by PB-'Other Stations/ Kendras' [sl. no.III(b)] appearing in the Receipts side.
10. From the cut off date, the field units should do the banking transactions, relating to expenditure under IEBR, from their new subsidiary bank accounts only as per the existing practice. The units will be allowed to do the banking transactions upto the limit fixed for their subsidiary bank account.
11. Any withdrawal from subsidiary bank account will simultaneously reduce its drawing limit by that particular amount. The residual limit will be available for further withdrawals. At the end of the day, the subsidiary account will pull the funds from Central account and the closing balance will become zero.
12. The Prasar Bharati Release Section and the concerned units to which Subsidiary account pertain will be responsible for preparation of Bank Reconciliation Statement of Main bank account and subsidiary bank accounts from its start date respectively.
13. Bank Reconciliation Statement should be prepared by the concerned field unit in respect to its Subsidiary bank account. Since now all balances will be maintained in Central Bank account hence preparation of Bank reconciliation Statement will become simpler. The field unit(s) needs to reconcile all cheques issued during the month as per bank book with their clearance in the bank statement of that subsidiary bank account. Normally, the closing balance of a day in the bank book will either be negative or zero as it will pull amount utilised by the concerned field unit during the day from the Central account to make its balance zero.



14. The control of adding/ deleting any subsidiary bank account of field unit(s) and fixation of limit for a particular subsidiary bank account will be with custodian of central bank account i.e. Prasar Bharati's Release Section.
15. The field units will not be allowed to view transactions of other field unit's bank account(s). The field units may operate and view their own subsidiary account using Corporate Internet Banking (CINB) facility. However, Prasar Bharati Release Section may view the transactions of any subsidiary bank accounts under its CIF using Corporate Internet Banking (CINB) facility.
16. After implementation of bank accounts under CFDL facility, the MOD/CLTD will be maintained in Central bank account only.

Both the Directorates are requested that they should circulate and ensure the compliance of the abovementioned instructions by all field units under their control scrupulously. The Finance wings of both the directorates should ensure the opening of bank accounts within the given timeframe positively.

This issues with the approval of CEO, Prasar Bharati.


13/3/2019
(C.K Jain)
DDG(Fin.)

DG: AIR/DD

Copy to:

1. ADG(E&A)/ ADG (Sports), PB Secretariat.
2. ADG (Fin), AIR / DD.
3. CE(CCW), New Delhi.
4. DDG(Fin), AIR / DD.
5. Director (Admin), PB Sectt.
6. DD (B&A)/ (Accounts)/ (F&A), Prasar Bharati Sectt.
7. DDG (Tech.), Prasar Bharati Sectt. with a request to upload the above circular on the official website of Prasar Bharati.

Copy for information to:

1. SO to CEO PB.
2. PS to M(F) PB.