

**SCA-11014/31/2021-SCA to SCSP**  
**Government of India**  
**Ministry of Social Justice and Empowerment**  
**Department of Social Justice and Empowerment**

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Shastri Bhawan, New Delhi  
Dated the 16<sup>th</sup> October, 2023

To  
The Pay & Accounts Officer,  
Ministry of Social Justice and Empowerment,  
New Delhi

Subject: Release of Central Assistance under the "Grants-in-aid" component (erstwhile SCA to SCSP) of Centrally Sponsored Scheme of Pradhan Mantri Anusuchit Jaati Abhyuday Yojana (PM-AJAY) to the Government of Tamil Nadu as **first installment for the year 2023-24.**

Sir,

I am directed to convey the sanction of the President of India for release of an amount of **Rs. 15,89,52,000/- (Rupees Fifteen Crore Eighty Nine Lakh and Fifty Two Thousand) Only**, which is equal to **25% of Notional Allocation for Tamil Nadu for 2023-24 i.e. Rs. 6358.10 lakh** to the Government of Tamil Nadu as first installment of Central Assistance during the year 2023-24 under the "Grants-in-aid" component (erstwhile SCA to SCSP) of Centrally Sponsored Scheme of Pradhan Mantri Anusuchit Jaati Abhyuday Yojana (PM-AJAY).

2. The amount is debitible to the Major Head "3601"; Grants-in-aid to State Governments (Major Head); 06-Centrally Sponsored Schemes (Sub Major Head); 789 – Special Component Plan For Scheduled Castes (Minor Head); 34.12- Pradhan Mantri Anusuchit Jaati Abhyuday Yojana (PM AJAY); 34.12.31- Grants-in-aid-General; Demand No.93 of the Ministry of Social Justice & Empowerment for 2022-23 (Plan).
3. Arrangements may please be made to credit this amount to State Government in accordance with the procedure laid down in the Ministry of Finance O.M. No. 2(45)/76 Special Cell, dated 30.8.1976, as modified vide O.M. dated 16.09.1976 under intimation to us.
4. The sanction of the above Central Assistance amounting to **Rs. 1589.52 lakh** to the Government of Tamil Nadu under the scheme is for undertaking the activities approved as part of Perspective Plan (PP) submitted by the State Government and approved by the PAC for the year 2023-24.
5. The Central Assistance shall be utilized only as per the provisions contained in the guidelines of the scheme.
6. The State Government shall update the progress in respect of implementation of the scheme and utilization of the Central Assistance through the online MIS portal developed for the purpose.
7. As per the instructions contained in Ministry of Finance, Department of Expenditure's Circular No. 7 (1) E. Coord/2008 dated 5.6.2008; no amount shall be released to any State which has defaulted in furnishing Utilization Certificates for grants-in aid release by the

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Central Government in the past. It is certified that either no UC is pending against the above State Government or the pending UC has been adjusted from the Grants.

8. The State Government would ensure that following guidelines as issued by the Department of Expenditure, Ministry of Finance is complied with during the course of implementation of scheme:

- i. The State Government will designate a Single Nodal Agency (SNA) for implementing the scheme immediately, if not done. The SNA will open a Single Nodal Account for this scheme at the State level in a Scheduled Commercial Bank authorized to conduct government business by the State Government.
- ii. The Implementing Agencies (IAs) down the ladder should use the SNA's account with clearly defined drawing limits set for that account. However, depending on operational requirements, zero-balance subsidiary accounts may also be opened for the IAs either in the same branch of the selected bank or in different branches.
- iii. All zero balance subsidiary accounts will have allocated drawing limits to be decided by the SNA concerned from time to time and will draw on real time basis from the Single Nodal Account of the scheme as and when payments are to be made to beneficiaries, vendors etc. The available drawing limit will get reduced by the extent of utilization.
- iv. For seamless management of funds, the main account and all zero balance subsidiary accounts should preferably be maintained with the same bank. However, State Government may choose different banks for opening Single Nodal Accounts of different Centrally Sponsored Schemes.
- v. Only banks having a robust IT Systems and extensive branch network should be chosen for opening the Single Nodal Account of each CSS. The bank chosen should have the facility to open the required number of subsidiary zero balance accounts and a robust MIS for handling accounting and reconciliation at each level. The bank should also provide a user friendly dashboard to officers at various levels to monitor utilization of funds by IAs.
- vi. The bank's software system should be able to monitor the drawing limits of the IAs who should be able to draw funds on real time basis from the SNA's account as and when payments are to be made. The selected bank should ensure proper training and capacity building of branch managers and other staff for smooth operation of these accounts.
- vii. The SNAs shall ensure that the interest earned from the funds released should be mandatorily remitted to the respective Consolidated Funds on pro-rata basis in terms of Rule 230(8) of GFR, 2017. Interest earned should be clearly and separately depicted in PFMS, scheme-specific portals integrated with PFMS and in MIS provided by the banks.
- viii. After opening of Single Nodal Account of the scheme and before opening zero balance subsidiary account of IAs or assigning those drawing rights from SNA's account, the IAs at all levels shall return all unspent amounts lying in their accounts to the Single Nodal Account of the SNA. It will be the responsibility of the State government concerned to ensure that the entire unspent amount is returned by all the IAs to the Single Nodal Account of the SNA concerned. For this, the State Governments will work out the modalities and the timelines and will work out Central and State share (if any) in the amount so available with IAs. SNAs will keep a record of unspent balance lying in the account of IAs and the amount refunded by IAs.
- ix. The SNAs shall keep a record of the unspent amount lying in the account of IAs to be deposited in the Single Nodal Account while assigning drawing rights to IAs.

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- x. The State Government will transfer the Central share received in its account in the RBI to the concerned SNA's account within a period of 21 days of its receipt. The Central share shall not be diverted to the Personal Deposit (PD) account or any other account by the State Government.
- xi. State Governments will register the SNAs and all IAs on PFMS and use the unique PFMS ID assigned to the SNA and IAs for all payments to them. Bank accounts of the SNAs, IAs, vendors and other organizations receiving funds will also be mapped in PFMS.
- xii. Payments will be made from the zero balance subsidiary accounts up to the drawing limit assigned to such accounts from time to time. Transactions in each Subsidiary Account will be settled with the Single Nodal Account daily through the core banking solution (CBS) on the basis of payments made during the day.
- xiii. SNAs and IAs will mandatorily use the EAT module of PFMS or integrate their systems with the PFMS to ensure that information on PFMS is updated by each IA at least once every day.
- xiv. SNAs will keep all the funds received in the Single Nodal Account only and shall not divert the same to Fixed Deposits/Flexi-Account/Multi-Option Deposit Account Corporate Liquid Term Deposit (CLTD) Account etc.
- xv. The State TFMIS should be able to capture scheme component-wise expenditure along with PFMS Scheme Code and Unique Code of the Agencies incurring the expenditure. State Governments will ensure daily uploading/sharing of data by the State IFMIS/Treasury applications on PFMS. PFMS will act as a facilitator for payment, tracking and monitoring of fund flow.
9. This issues with the concurrence of the Integrated Finance Division of this Ministry vide their **JS&FA E-office Dy. No. 41212 dated 07.10.2023.**

Yours faithfully,

*Rakesh Kumar*

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(Rakesh Kumar)

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Copy for information and necessary action to:-

1. The Principal Accountant General, Government of Tamil Nadu, Chennai-600018
2. The Special Secretary, Social Welfare Department, Govt. of Tamil Nadu, Chennai-600015
3. The Secretary, Department of Finance Department, Government of Tamil Nadu, Chennai-600016
4. JS&FA, Ministry of Social Justice & Empowerment, Shastri Bhawan, New Delhi.
5. Guard File.

*Rakesh Kumar*

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The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice. This ensures transparency and allows for easy verification of the data. The document also highlights the need for regular audits to identify any discrepancies or errors in the accounting process.

Furthermore, it outlines the various methods used for recording financial data, such as double-entry bookkeeping. This system ensures that the total debits always equal the total credits, providing a built-in check for accuracy. The document also touches upon the importance of proper classification of expenses and revenues to facilitate meaningful financial analysis.

In addition, the document discusses the role of the accounting department in providing valuable insights to management. By analyzing financial trends and preparing reports, accountants can help identify areas of opportunity and potential risks. This proactive approach is essential for the long-term success of the organization.

The second part of the document focuses on the practical aspects of accounting, including the preparation of financial statements. It details the steps involved in calculating net income, preparing the balance sheet, and the income statement. Each step is explained in a clear and concise manner, ensuring that even those with limited accounting knowledge can understand the process.

Moreover, the document provides a comprehensive overview of the different types of financial statements used by businesses. It explains the purpose of each statement and how they are interrelated. For example, the balance sheet shows the company's financial position at a specific point in time, while the income statement shows the performance over a period.

The document also addresses the importance of adhering to established accounting standards and principles. This ensures that financial statements are prepared consistently and can be compared across different companies and industries. It also discusses the role of external auditors in verifying the accuracy of the financial statements.

Finally, the document concludes by emphasizing the ongoing nature of accounting. It is not just a one-time task but a continuous process that evolves with the needs of the business. Regular updates and reviews are necessary to ensure that the accounting system remains effective and relevant.