

**GOVERNMENT OF PUDUCHERRY  
CHIEF SECRETARIAT  
FINANCE DEPARTMENT**

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No. 2-2/FD(W&M)/2022

Puducherry, dated 10.08.2022

**OFFICE MEMORANDUM**

**Sub: FD (W&M) – State Expenditure Budget Management - Procedure for monitoring and utilization of funds released under Grant-in-Aid (GIA) through State PFMS setup – Clarification – Issued.**

**Ref: G.O.Ms.No.03/FD(W&M)/2022, dated 13.04.2022 of the Finance Department, Puducherry**

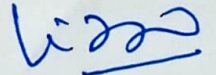
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Some Departments / Organisations have sought certain relaxations from the Finance Department in context of the aforesaid G.O., under reference, due to the varied nature of Accounts maintained by them. These issues have been carefully examined and a detailed clarification is given below:

Sl. No.	Purpose of the Accounts	Clarification issued
1.	CPF / GPF	The said accounts are exempted from SNA as per circular dt. 13.4.22.
2.	Security Deposits	The Organisation shall be permitted to open a Holding Account in the same branch/ bank of SNA and the same may be linked to SNA. However, interest accrued on the funds shall be credited to the Salary component of SNA.
3.	Exam Fee	These accounts shall be closed. However, the SSM may create a specific component namely "Exam fee" under SNA similar to that of "Capital Assets". Funds received against Exam Fee shall be credited into the component "Exam Fee" and the payment shall be made as per the guidelines of concerned Boards with the approval of the Administrative Secretary. Any interest realized on Exam fee shall however be credited into the Salary Component of SNA.
4.	Escrow Account for GeM portal	However, payment to supplier shall be made from SNA under the component "General Administration" towards procurement of goods. Hence, the said account shall be closed.

Sl. No.	Purpose of the Accounts	Clarification issued
5.	Central Sector Schemes / Centrally Sponsored Schemes	As these accounts are opened as per the GoI's guidelines and integrated with Central PFMS, the same shall be exempted provided the scheme is a continuing scheme. Otherwise, the Organisation shall utilise the funds once before 31 <sup>st</sup> October, 2022 or remit back the residual fund to the concerned Ministry. No further continuation of accounts shall be permitted.
6.	Hostel / Mess Fees	Since Hostel / Mess fees collected from the Students is utilised towards maintenance of the Hostel and provision of foods, the same may be exempted from SNA, provided the fund is self sufficient to meet the expenses. Otherwise, the Organisation shall be permitted to open a Holding Account in the same branch/ bank of SNA and the same shall be linked to SNA and the interest accrued on the funds shall be credited to the Salary component of SNA.

2. This issues with the approval of the Principal Secretary (Finance), Puducherry.



(U. Ilango)

Deputy Director (W&M)

All the Secretaries to Government/Heads of Department / Autonomous Bodies,  
Puducherry.

Copy to:

The Director of Accounts & Treasuries.