

J-11060/07/2017-RH(A/C)  
Government of India  
Ministry of Rural Development  
(Rural Housing Division)  
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Krishi Bhavan, New Delhi  
Dated: 18<sup>th</sup> August, 2017

To  
The Additional Chief Secretary / Principal Secretary/  
Secretary (Rural Development)  
of All States and UTs dealing with Pradhan Mantri Awaas  
Yojana-Gramin

Subject:- Payment from the State Nodal Account through FTOs and routing of  
payments through NPCI gateway - Regarding:-

Sir/Madam,

You are aware that under PMAY-G all transactions (both physical and financial) from the time of identification of beneficiaries to completion of the houses are done using the AwaasSoft platform. This provision has been mandated to have a real time monitoring of each and every step in the implementation of the scheme and to identify the gaps precisely and address the same.

2. In order to put the above system in place all the States/ UTs have been advised to maintain a Single State Nodal Account at the State Level and the assistance to the beneficiaries would be transferred electronically to the beneficiaries bank account from the State Nodal Account through Fund Transfer Order (FTO) generated at Block / District level.
3. In this regard, it is stated that if the funds from the State Nodal Account are withdrawn / transferred through means other than FTO, the same is not captured on AwaasSoft as a result, balance in the State Nodal Account would be more as per AwaasSoft than the actual balance available. The officials at the block / district level generate FTOs based on the balance reflected in AwaasSoft which might get rejected due to insufficient balance available in State Nodal Account as the fund has been withdrawn / transferred through means other than FTO which was not captured on AwaasSoft.
4. Such instances have been observed in some States and this was also discussed during the meeting with stakeholders on e-payment under PMAY-G held on 13<sup>th</sup> July, 2017.

5. In this connection, reference is invited para 10 (1) (c) of Framework for Implementation of PMAY-G wherein it mentions that the State Nodal Account shall be operated upon electronically through FTO and no other mode of withdrawal from it shall be permissible. Further, it is stated that this Ministry has issued an advisory vide letter no. No. M-12018/3/2014-RH(A/C), dated 12<sup>th</sup> November, 2016 reiterating the same.

6. Further, it is stated that while making payments electronically through FTO, it is observed that a number of FTOs are being rejected without any proper reason for rejection. In this regard, it is stated that if the payment is routed through NPCI gateway, the chances of rejection of payments are minimized and the rejection reasons are standardized which helps to easily know the reason for the rejection of FTO for taking necessary action. An advisory in this regard to utilise the NPCI gateway was issued by the Ministry vide letter no. No. M-12018/3/2014-RH(A/C), dated 12<sup>th</sup> November, 2016. However, it is observed that NPCI gateway is not being used in most of the States for making payment of assistance to the beneficiaries which is resulting in rejection of FTOs without any proper / standard reason for rejection.

7. In view of the above, it is once again requested to take up the matter with the State Nodal Banks to ensure the following:-

- i). The State Nodal Account shall be operated only through Fund Transfer Order (FTO). No other mode of withdrawal should be allowed.
- ii). The transfer of funds from the State Nodal Account should be done only through NPCI to minimise the chance of rejection of payments.

Yours faithfully

(Anant Prakash Pandey)  
Director to Govt. of India  
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