

09.10.2000

Dear

As you are aware, guidelines on provision of Special Central Assistance (SCA) to Special Component Plan (SCP) of the State Governments/UT Administrations was last revised and circulated vide d.o. No. 11014/21/97-SCD II dated 6.10.98. As this assistance is provided as an additive to the SCP for welfare of Scheduled Castes, the amended guidelines provide that the State Governments/UT Administrations will have full flexibility in utilizing the SCA, subject to the condition that it should be utilised in conjunction with the SCP and other resources available from other sources like various Corporations, financial institutions etc. The SCA is to be utilized mainly for assisting SC families, living below the poverty line, bridging the critical gaps and providing missing inputs of vital nature for making the schemes more meaningful. Utilisation of upto 10% of the SCA for development of required infrastructure is provided under the guidelines.

2. With a view to implement the schemes in a more focused manner, the State Government/UT Administration have been requested to submit project report for utilisation of admissible SCA during 2000-01 indicating the economic activities proposed to be financed, provision of required forward and backward linkages, flow of institutional finance and other details. This Ministry's D.O. letter number 11014/30/99-SCD II (Pt) dated 25.5.2000 may please be referred to in this regard. We have not received detailed project reports from your State so far. The first instalment of SCA has been released to your State based on population and relative backwardness. You are requested to give your personal attention and arrange for sending project reports and utilisation certificate in respect of the amount sanctioned so far at the earliest. It may please be noted that release of 2<sup>nd</sup> instalment to SCA would be considered only on getting the project reports and utilisation certificate.

3. Subsequent to issue of the guidelines indicated above, certain clarification on utilisation of the SCA by the State Government/UT Administration have been sought. The position in respect of the points raised is hereby clarified as follows :

(i) In this Ministry's letter of No. 16011/1/94-SCD IV dated 23<sup>rd</sup> August, 1994, it was clarified that SC beneficiaries, living below the poverty line may be provided assistance under SCA in manner similar to those admissible under the Integrated Rural Development Programme (IRDP). The Ministry of Rural Development has launched the Swamajayanti Gram Swarozgar Yojana (SGSY) in April, 1999, in place of IRDP, as a holistic programme covering all aspects of self employment, such as, organisation of poor into self help groups, and provision of training, credit, technology, infrastructure and marketing etc. to such groups for enabling the poor families to cross the poverty line. The SGSY adopt a project approach for each key activity. The poor families are to be