

No.1(8)/2008/TA/ 200  
Ministry of Finance  
Department of Expenditure  
Controller General of Accounts  
Lok Nayak Bhavan,, Khan Market  
New Delhi

Dated 8-5-2011

Office Memorandum

**Sub:- Payment of loans and grants-in-aid to the Government of Jammu & Kashmir-reg**

Attention is invited to Para 8.18 of Civil Accounts Manual pertaining to the procedure to be followed regarding payment of loans / grants-in-aid to States / Union Territories.

2. Until 31-3-2011, the banking business of the State of Jammu & Kashmir was not conducted by Reserve Bank of India and therefore unlike other states (for whom payments towards loans and grants-in-aid are released through the RBI, CAS, Nagpur), payments to the state of Jammu & Kashmir were paid by crossed cheques drawn in favour of Finance Secretary (Finance Dept), J& K. RBI has now informed that Govt. of Jammu & Kashmir has entered into agreement with them under which RBI would carry on the general banking business of that state with effect from 1-4-2011 and the CAS account code No. 128 has been allotted to the state Government of J & K for booking of IGA Advices and other transactions relating to State of J& K .

3. Consequent on the new arrangement coming into effect from 1-4-2011, payments to that state towards loans and grants-in-aid would have to be made by all Ministries/ Departments by issuing inter-governmental Adjustment Advices (IGAAs) through RBI, CAS, Nagpur. [Similarly, repayment of loan by the state government of J& K and any inter -governmental settlement involving J& K State would have to be made through RBI, CAS, Nagpur.]

4. All Pr. CCAs/ CCAs/ CAs are requested to ensure the compliance of the aforesaid instructions. Suitable amendment to the relevant provisions of Civil Accounts Manual will be issued separately.

sd/-

(H.K. Srivastav)

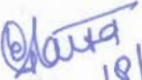
Deputy Controller General of Accounts

To

All Pr. CCAs/ CCAs/ CAS

Copy to

1. PS to CGA
2. PS to Addl. CGA (SMK)
3. Joint CGA (ASC)
4. Jt. CGA (RS)
5. The Director (Accounts) O/os CAG of India, with request to issue necessary instructions to State AsG.
- ✓ 6. Dy. CGA, ITD Section with a request to get this OM uploaded on CGA's website.
7. Sr. Accounts Officer, (Codes) for carrying out corrections in the Codes and Manuals administered by their Section.
8. Sr. Accounts Officer, RBD Section for information and necessary action.

  
18/5/21

(H.K. Srivastav)

Deputy Controller General of Accounts