



Pradhan Mantri Anusuchit Jaati Abhyuday Yojana (PM-AJAY)

Bridging Socio-Economic Gaps through Targeted Interventions

May 1, 2025

Introduction

The **Pradhan Mantri Anusuchit Jaati Abhyuday Yojna (PM-AJAY)** is a comprehensive initiative by the Government of India, launched in **FY 2021-22**, aimed at the **socio-economic upliftment** of **Scheduled Castes (SCs)**. It is a **merger scheme** of three erstwhile Centrally Sponsored Schemes, namely, **Pradhan Mantri Adarsh Gram Yojana (PMAGY)**, **Special Central Assistance to Scheduled Castes Sub Plan (SCA to SCSP)** and **Babu Jagjivan Ram Chhatrawas Yojana (BJRCY)**. Implemented by the **Ministry of Social Justice & Empowerment**, the scheme focuses on reducing poverty, enhancing educational opportunities, and improving infrastructure in SC-dominated areas.

The scheme is **100% funded** by the **Central Government**. However, the States/UTs are free to provide additional funds from their own resources if they so desire. The states are required to submit their **Annual Action Plans (AAPs)** online through the PM-AJAY portal in order to receive funds from the central government. The planning process is decentralized, allowing for the creation and approval of projects at both state and district levels. In **2024-25**, the central government received **234 project submissions** from state governments, in which **83 projects** got **sanctioned** with **1.18 lakh** funds released.

OBJECTIVES OF PM-AJAY

- 1** To reduce poverty of the SC communities by generation of additional employment opportunities through skill development, income generating schemes and other initiatives.

- 2** To improve socio-economic developmental indicators by ensuring adequate infrastructure and requisite services in the SC dominated villages.

- 3** To increase literacy and encourage enrolment of SCs in schools and higher educational institutions by providing adequate residential facilities in quality institutions, as well as residential schools where required, especially in the aspirational districts/ SC dominated blocks and elsewhere in India.



The Scheme implemented in total **28 States and UTs**. Arunachal Pradesh, Nagaland, Meghalaya,

Mizoram, Andaman & Nicobar Islands, Dadra Nagar Haveli, Daman & Diu, Ladakh & Lakshadweep are not covered under this scheme.

Eligibility Criteria for the Scheme

- The **Scheduled Castes** persons **living below the poverty lines** are eligible for getting benefits under the **various Income Generating Schemes and Skill Development Programmes**.
- In case of **Infrastructure Development**, the villages having **50% or more SC population** are eligible for grants under the Scheme.
- As far as definition of poverty line and selection of SC families living below poverty line is concerned, the **guidelines** issued by the **erstwhile Planning Commission** and the procedure laid down by the **Ministry of Rural Development** for selecting the beneficiaries through the Panchayati Raj institutions, is adopted.

Key Components of the Scheme

PM-AJAY encompasses several components designed to address various aspects of development:

1. Adarsh Gram Development

Transforming SC-majority villages into '**Adarsh Grams**' (model villages) by filling critical gaps in infrastructure and services. **Up to 50%** of the **total allocated funds** under the scheme to the States/UTs are used for gap-filling activities for selected villages. In **FY 2024-25**, **4,991 villages** have been declared as **Adarsh Gram** and **4,25,821 beneficiaries** have been benefited. Further, **29,846 villages** have been selected for this component for **2025-26**. Till **March 2025**, **more than 11,000 villages** have been declared as Adarsh Grams.

An '**Adarsh Gram**' is one wherein people have access to various basic services so that the minimum needs of all the sections of the society are fully met and disparities are reduced to a minimum. These villages would have all such **infrastructure facilities** and its residents will have access to all such **basic services** (like drinking water, sanitation, education, nutrition, etc.) that are necessary for a **dignified living**, creating thereby an environment in which everyone is enabled to utilize his/her **potential** to the **fullest**.

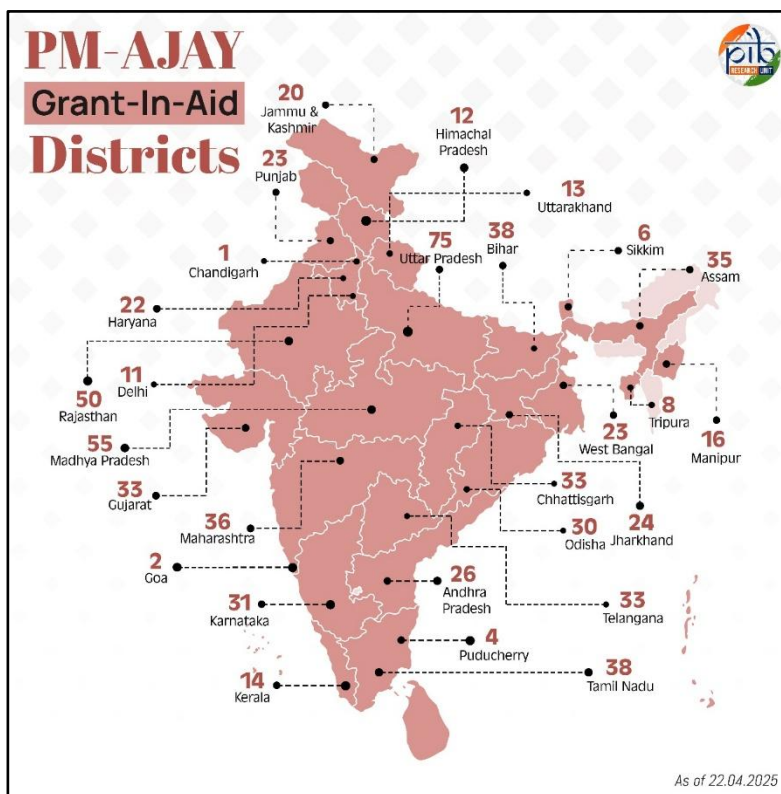
2. Grants-in-Aid for Socio-Economic Projects

Providing financial assistance for district/state-level projects aimed at the socio-economic betterment of SCs. This includes:

- Creation of **infrastructure** in SC-dominated villages.
- Construction of **hostels/residential schools**.
- Comprehensive **livelihood projects**, including skill development and related infrastructure.
- **Financial assistance** towards loans taken by beneficiaries for asset acquisition/creation required for livelihood generation.

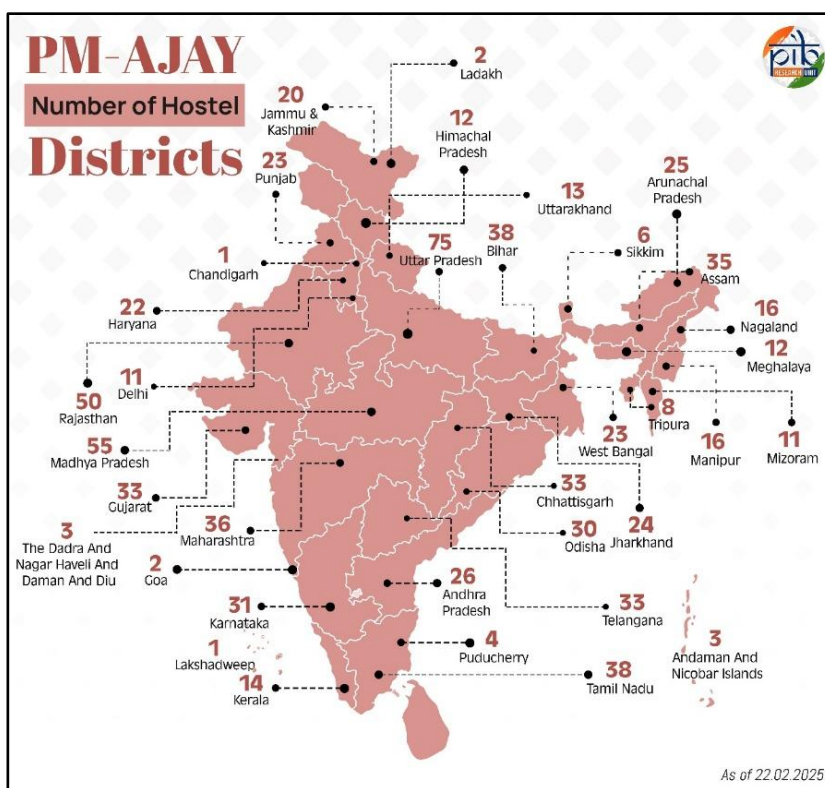
The balance available funds under the scheme, after the share for other three components has been taken out, will be provisionally allocated to the States/UTs in proportion to their **SC Population (50% weightage)** and on the basis of the ratio of **Special Component Plan** (now known as **State SCSP**) to the **Annual Plan** as compared to the SC population in the States/UTs. The **State Scheduled Caste Sub-Plan (SCSP)**, is an **umbrella strategy** to ensure flow of targeted financial and physical benefits from all the general sectors of development for the benefit of SCs. **25 States** have submitted **Perspective Plans** for 2023-24, 2024-25 & 2025-26 and **Rs. 457.82 crore** has been released for **8,146**

projects including **987 projects** for **skill development** during 2023-24 & 2024-25 under this component.



3. Construction of Hostels

This component includes building **hostels** in **higher educational institutions** ranked under the **National Institutional Ranking Framework (NIRF)** and funded by the **Centre/State/UT Governments**. Similarly, it also includes constructing **hostels** in **schools** funded by the Centre/State/UT Governments and recommended by the **Ministry of Education**. Up to **2%** of the **total allocated funds** are utilized for hostel construction and repair. So far, **891 hostels** are sanctioned (**27 hostels** sanctioned during **2024-25**) under the **PM-AJAY** covering **69,212 beneficiaries** and an amount of **Rs.936.27 crore** has been released, thereby encouraging students belonging to scheduled castes to attain quality education.



4. Monitoring and Evaluation

This component has an allocation of up to **5%** of the total funds for administrative expenses, including:

- Development of a centralized Management Information System (MIS).
- Hiring institutions for technical resource support and manpower.
- Provision of office equipment and IT facilities.
- Undertaking evaluation projects and social audits.
- Social Audit of the scheme implementation.

During **2024-25**, **Rs. 6.64 crore** has been utilized as administrative expense under PM-AJAY.

Success Stories

After losing his job during the Covid19 pandemic and struggling to find work for seven months, **Kesavan** was introduced to the program by his sister, who had benefited from a similar initiative. He applied for and received a **loan** in **2020-21** under the **GIA component**, State loan component and contributing **Rs 35,000** of his savings to **launch his business**, demonstrating his commitment to success. Kesavan successfully established his **own Pharmacy shop** in **Vellore district**.

KP Durai from **Kanchipuram** district, was working for a **welding contractor**. Due to her working hours, on the advice of her contractor she started her **own business 'Ajay Welding Works'** in **Enathur** and **provided jobs to two persons**. After running this business for **18 years** now, she got the opportunity to do **L&T's fabrication work** for which she needed funds up to **Rs. 5 lakhs**. She came to know about the **GIA component** and **loans schemes** of the State from her friends. **She received a loan of Rs. 5 lakhs with a subsidy of Rs. 1.36 lakhs**. With this amount, she undertook fabrication work, valve stent works and presented it to L&T in her village. Now she is providing employment to **6 persons**, and her **monthly income** has increased from Rs. 20,000 to **Rs. 40,000**.

Conclusion

PM-AJAY represents a significant step towards the holistic development of Scheduled Castes in India. By focusing on poverty alleviation, infrastructure development, and educational support, the scheme aims to bridge socio-economic disparities and promote inclusive growth. Continued monitoring and adaptive strategies will be essential to ensure the scheme's objectives are met effectively.

References

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