FN-14015/1/2020-Budget/NMCG (Comp. No.264233)
Government of India
Ministry of Jal Shakti
Department of Water Resources, River Development & Ganga Rejuvenation
National Mission for Clean Ganga
1st Floor, Major Dhyan Chand National Stadium,
India Gate, New Delhi-110001, Dated: 2 June 2026

To,

1. **The Project Directors, State Missions for Clean Ganga (SMCGs)- Uttarakhand, Uttar Pradesh, Bihar, Jharkhand & West Bengal**
2. **Joint Director, Directorate of Urban Administration & Development-Madhya Pradesh**

Subject: **Minutes of 30th Joint Meeting of Audit Review Committee and Budget Review Committee of National Mission for Clean Ganga (NMCG)-Regd.**

The Minutes of 30th joint meeting of the Audit and Budget Review Committees of the NMCG held on 22 May, 2026 are attached herewith.

2. Actionable Points are listed in Para-5 of the minutes for further necessary action.

3. Project Directors of SMCGs/ Joint Director of UADD-Madhya Pradesh are requested to submit their fund demand for the second quarter of current financial year by the first week of July 2026 positively. An Action Taken Report may be sent to NMCG within a fortnight.

Encl. As above

Kashyap 2/6/26

(Mahesh Kumar Kashyap)
Deputy Secretary (Finance)
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Copy along with a copy of the Minutes for necessary actions:

1. Deputy Director General, NMCG
2. Executive Director (Projects), NMCG
3. Executive Director (Administration), NMCG
4. Executive Director (Technical), NMCG
5. Consultant (Biodiversity), NMCG

Copy to,

1. Member Secretary, Central Pollution Control Board, Parivesh Bhawan, East Arjun Nagar, Shahdara, Delhi
2. PS to Director General, NMCG
3. EA to Executive Director (Finance), NMCG

Minutes of the 30th Joint meeting of the Audit Review Committee (ARC) and the Budget Review Committee (BRC) of National Mission for Clean Ganga (NMCG) held on 22nd May, 2026 at NMCG office, New Delhi.

The 30th Joint meeting of the Audit Review Committee (ARC) and the Budget Review Committee (BRC) of the National Mission for Clean Ganga (NMCG) was chaired by the Director General, NMCG at 11:00 AM on 22nd May, 2026 in NMCG office, New Delhi. A list of participants is at **Annexure I**.

2**.**At the outset, Executive Director (Finance), NMCG welcomed Director General, Deputy Director General, and officers/ officials of the NMCG, and participants from the Central Pollution Control Board and State Missions for Clean Ganga (SMCGs). Thereafter, the Committee was apprised about the Agenda items, and a presentation was made by the ED(Finance)-NMCG.

3. Budget Review Committee

3.1. Review ofBudgetandits Utilization for FY 2025-26

3.1.1. ED(F) informed the Committee that against a revised budget provision of ₹2,687 crores for FY 2025–26, the NMCG successfully disbursed ₹2,666 crores, representing 99% utilization of RE. The balance amount of ₹20.64 crore lapsed at year-end with various executing agencies. He observed that this near-full utilization was achieved thanks to the sustained support and guidance of the DG-NMCG, as well as the efforts of the ED(P) and his team.

3.1.2. The Committee was apprised that SMCGs of Uttar Pradesh, Jharkhand and West Bengal have fully utilized the limits assigned to them. SMCG-Uttarakhand and UADD, Madhya Pradesh have nearly utilized full limits. However, SMCG-Bihar could utilizeonly about two-third of the limits assigned. Executing Agencies such as Survey of India, University of Delhi, IIT-Roorkee, ICAR-CIFRI, IIRS, IIT-BHU, IIT-Delhi etc. also could not utilize the allocated limits.

3.1.3. DG-NMCG appreciated SMCGsof Uttar Pradesh and West Bengal for full utilization of allocated funds. He noted that the SMCG-Bihar could have performed better and urged them to improve fund utilization in current FY. MD-BUIDCO reported that certain issues including contractual disputes constrained their fund utilization last FY and assured that SMCG-Bihar will improve its performance in the current year.

3.2. Budget for FY 2026-27 and Quarterly Fund Demand

3.2.1. The Committee was informed that out of ₹3,100 crores provided in the budget for 2026-27,₹750 crores have been drawn by the NMCG, and ₹464.98 crores have been assigned till date. Q-1 fund for project activities have been released to all SMCGs except SMCG – Bihar. Demands amounting to ₹90.27 crores, including project related demand from the SMCG-Bihar, is under process.

3.2.2. It was noted that the SMCGs have taken nearly a month to submit their Q-1 fund demands, that too in a fragmented manner. Processing and examination of demands in the NMCG has also taken time as the same Proponent Unit had to be consulted multiple times due to the fragmented nature of fund demands. Further, demands are examined *ad seriatim* by multiple Cells in Project Wing. In spite of these challenges, funds against all major demands have been assigned within 2 weeks of receiving proposals. ED(P) suggested that for time saving, two separate files may be moved to Project Wing simultaneously — one for O&M & RFD and the second for STP projects under construction.

3.2.3. It was noted that release of funds has consumed one and a half months of first quarter, leaving only half of the quarter for actual utilization. DG-NMCG advised SMCGs to submit their Q-2 fund demands by the first week of July 2026. He also directed ED (P) and his team to monitor submission of Q-2 fund demand.

3.3. Annual Expenditure Plans for FY2026-27

3.3.1. The Committee was apprised that the Q-1 fund demands of SMCGs, except that of Bihar,were broadly aligned to their respective Quarterly Expenditure Plans (QEPs) submitted in the last meeting of the ARC.Aggregate Q-1 limits assigned (or under process) to SMCGs & MP-UADD are ₹533.86 crores.

3.3.2. The expected fund demands from the SMCGs for next three quarters of current FY are projected asfollows:

- SMCG – Uttarakhand: ₹ 71.46 crores
- SMCG- Uttar Pradesh: ₹ 589.47 crores
- SMCG- Bihar: ₹152.58 crores
- SMCG- Jharkhand: ₹ 58.28 crores
- SMCG- West Bengal: ₹180.02 crores
- MP-UADD : ₹ 80.00 crores

3.3.3. Altogether, 5 SMCGs and MP-UADD have projected requirements of about ₹1,650 crores during the current year. ED(P) observed that the estimates of SMCG - West Bengal and MP-UADD are on the conservative side.

3.3.4. It was noted that utilization of the budgetary provision of ₹3,100 crores requires more than 15 percent increase in fund utilization over last year. HAM Projects and other verticals of the NMCG should plan for a minimum utilization of ₹1500 crores. All Proponent Units were requested to finalize their QEPs for next three quarters and share their respective QEPs with the Finance Unit within a fortnight.

3.4. Overview of the NGM II

The Namami Gange Mission II concluded on 31 March 2026. A brief overview of the NGM II financials were presented to the Committee. Total amount disbursed during the 5 years of the NGM II is ₹12,118 crores, reflecting 97% utilization of revised estimates. Pursuant to reconciliation of accounts and transition to Hybrid TSA, various implementing/ executing agencies have refunded ₹471.43 crores unspent grants-in-aid. Thus the effective disbursement during the NGM II amounted to ₹11,646.66 crores. A total of 185 projects were sanctioned during the NGM II, with sanction value of ₹13,975 crores.

3.5. ReviewofpendingUtilizationCertificates (UCs)

3.5.1. The Committee was apprised that total UCs pending against grants released up to 31 March, 2025 are ₹123.52 crore. UCs are pending against Jajmau-CETP (₹84.16 core), Banthar-CETP (₹26.39 crore), DoDWS (₹9.91 crore) and DAVP (₹1.00 crore).

3.5.2. The committee was informed that after persistent follow up, the Central Bureau of Communication (CBC) has confirmed an outstanding balance of ₹1.74 crore. DG-NMCG had written to DG-CBC for immediate refund of long pending advance. DG-NMCG directed the DDG to pursue the matter with the CBC.

3.5.3. ED (T) clarified that the UCs outstanding for Jajmau CETP Project are for the escrowed amount to be released on commissioning of the project, which is expected shortly. Further, some amount has been retained in the escrow account towards LD deductions to be made from payments due to the concessioner. DG, NMCG directed that a separate meeting may be convened to review the pending UCs for the two CETP projects.

3.5.4. UCs pending from DoDWS are being monitored by the ETF under the chair of Hon'ble Minister of Jal Shakti. The outstanding UCs have been reduced to ₹9.91 crores from ₹130.98 crores since 12th ETF meeting (10.09.2024). As per the discussions in the 18th meeting of the ETF held on 30th March 2026, the balance UCs are likely to be liquidated by 30 June 2026.

3.5.5. So far as the UCs against grants released in FY 2025-26, ED (F) informed the Committee that UCs have been received from major agencies, including all SMCGs, MP-UADD, WII, CPCB, IIT-BHU and IIT -Roorkee. Although these UCs are not yet due, going by the trend, UCs against 90 percent grants released in last FY are likely to be received in the first quarter of current year. Such remarkable progress in submission of UCs is itself a validation of "Just in Time" release under the TSA.

4. <u>Audit Review Committee</u>

4.1 Preparation of Annual Accounts for FY 2025-26

4.1.1. The Committee was apprised that the Audited Accounts of NMCG were placed before the Empowered Task Force (ETF) on 30 December 2025. Annual Accounts along with Audit Certificate were laid on the table of Lok Sabha on 17 December 2025 and in Rajya Sabha on 18 December 2025.With this, the NMCG had adhered to all GFR mandated timelines for the 4th year in succession.

4.1.2. Thereafter, ED(F) highlighted the preparatory steps for preparation of Annual Accounts for FY 2025-26, including information required from various Proponent Units.

The Committee was apprised about the deliberations in the stakeholder consultations held with the C&AG earlier in the day. Emphasizing the importance of full and accurate provisioning, ED(F) stated that under-provisioning of liabilities has been a recurring cause of audit observations and may adversely impact the audit opinion on the Annual Accounts. Any un-provisioned expenses are to be accounted for as prior period expenses in subsequent years, posing another significant risk to the accuracy of accounts. These issues were explained to the Proponent Units in a meeting taken by the ED(F) on 24.04.2026 and an advisory was also issued by the Finance Unit on 9 April 2026.

4.1.3. Drawing on the observations in the earlier audit report, as well as deliberations of the stakeholders' consultations earlier in the day, the following points were also highlighted for attention of the divisions concerned:

I. **Annuity liabilities for HAM projects as on 31.3.2026** to be disclosed in the Annual Accounts - details are required from **Project Wing**.

II. **Updating of various assets register and timely completion of physical verifications of assets**:Finance has circulated an advisory dated 08.05.2026. Admin, IT and Project Units were advised to update the relevant registers and records of **fixed assets and consumables**. Physical verification of fixed assets, stocks and libraries should be completed by 15 June2026.

III. **List of ongoing litigations giving rise tocontingent liabilities**: to be furnished by the **Technical and Admin Units**. In particular, on-going litigations related to gratuity, WQMS & Bioremediation Projects to be furnished.

4.2. <u>Recording of Assets</u>

4.2.1. Recording of Assets created out of NMCG's Grants-in-aid, another recurring Audit observation, was also discussed. ED(F) reported that a system of collecting details of assets for non-STP projects has been activated and the Finance Unit has issued detailed guidelines vide Advisory dated 15.04.2026. Asset details have already been received from several projects. Over time, this database will become more comprehensive. However, collecting data related to STP projects remains a challenge. ED(P) suggested engagement of an Agency to collect data for STP Projects, which may also function as a baseline for O&M Cell.

4.2.2. After deliberations, the Committee felt that NMCG's mandate is that of a funding agency and maintenance of asset details primarily is the responsibility of executing agencies. While the NMCG should no doubt keep track of assets created out of its grants, the granularity and details of data collection needs to be decided in the first instance. The good practices of similarly placed agencies such as NHAI, Power Grid Corporation should also be studied. Accordingly, it was decided to engage an agency to study practices of other similarly placed organizations and suggest a framework for collection of asset details.

4.3. Certification Audit of World Bank assisted Projects

4.3.1. As per loan agreement for the Second National Ganga River Basin Project (SNGRBP) with World Bank, the CAG is required to issue Audit Report for NMCG and State Accountant Generals (AGs) for SMCGsconcerned. The Audit Report for a financial year becomes due by 31st December of the following year. A 4-month grace period is allowed, but if Reports are not submitted even within the grace period, disbursement to the agency is suspended. Due date for submission of Audit Certificate for FY2025-26 to the World Bank is 31 December 2026.

4.3.2. The Committee was informed that SMCGs of Uttar Pradesh and Uttarakhand have already submitted their Statement of Expenditure (SoE) for FY 2025-26 to concerned State AG. NMCG will submit their SoE to CAG by the first week of June 2026. SMCGs of Bihar and Jharkhand assured to submit their respective SoE to their State AG shortly. SMCG West Bengal informed that their SoE will be submitted to the State AG after approval by State Ganga Committee (SGC). In order to facilitate timely audit, the SMCG was advised to submit the SoE to the State AG at the earliest and get it ratified by the SGC in due course.

4.3.3. It was reported that Audit Certificates for FY 2024-25 were received in time for all SMCGs except for SMCG – Bihar. After persistent follow-up, the audit certificate for SMCG – Bihar was received last week. A summary of audit findings was presented to the Committee. It was noted that there have been some disallowances in the audit report for Bihar on account of excess project supervision charges, variations and price escalations etc. Since the report has just been received and is under examination, a detailed analysis will be presented in the next meeting of the Committee.

4.4. ARC/BRC meetings at SMCG Level

4.4.1. It was noted that there has been a marked improvement in the periodicity of ARC/BRC meetings by the SMCGs. The Committee was informed that the SMCGs of Uttarakhand, Bihar, and West Bengal have convened ARC/BRC meetings since the last meeting of the NMCG's ARC/BRC. It was further noted with satisfaction that all SMCGs have convened their ARC/BRC meetings during the current calendar year.

4.4.2. ED(F) emphasized that ARC/BRC meetings are important instruments of internal control, financial monitoring, and review of implementation progress. Accordingly, all SMCGs were advised to convene ARC/BRC meetings on a regular and timely basis to ensure effective oversight and compliance.

5 Actionable Points

The actionable points are summed up below:

i. All SMCGs to submit fund demands for second quarter of current financial year by the first week of July 2026. The demands should be made in a consolidated manner to the extent possible.
ii. Proponent Units in the NMCG to furnish their recommendations on fund demand within a week of receiving the same.Release of Q-2 funds to SMCGs to be

completed by 20th July 2026.

iii. Project, Urban, Biodiversity, IT, Admin, Media & Communication Divisions to submit quarterly annual expenditure plans by the first week of June 2026.

iv. A meeting to be convened to discuss pending UCs for Jajmau and Banthar CETP Projects.

v. SMCGs to furnish audited UCs for FY 2025-26 by 30 June 2026.

vi. DDG to pursue refund of outstanding amount of ₹1.74 crore with Central Bureau of Communication.

vii. Finance Unit, NMCG to submit Statement of Expenditure (SoE) for World Bank assisted Projects to the CAG by 5th June 2026.

viii. SMCGs of Bihar & Jharkhand to submit SoE to the concerned State AG by 15th June 2026. SMCG West Bengal to submit SoE to State AG Office at the earliest and obtain approval of the SGC post facto.

ix. Proponent Units to furnish information for preparation of Annual Accounts for FY 2025-26, <u>as per Para 4.1 above</u>:

   a. Project Unit to convey Annuity Liabilities for HAM projects as on 31 March 2026 to Finance Unit for disclosure in Annual Accounts.
   b. All litigations with potential (contingent) liabilities to be conveyed to Finance Unit by 3rd June 2026.
   c. Admin. and IT Unit to update all Registers and complete their physical verification by 15th June 2026.

x. Project Unit to engage an Agency to study practices of similarly placed Agencies such as NHAI, Power Grid Corporation in respect of tracking of assets and suggest a framework for collection and maintenance of asset details.

6. The meeting concluded with thanks to all participants.

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Annexurel

List of Participants present in the 30th Joint meeting of the Audit Review Committee (ARC) and Budget Review Committee (BRC) of National Mission for Clean Ganga (NMCG) held on Friday, on 22nd May, 2026 at NMCG office, New Delhi.

Following were present during the meeting:-

NMCG

1. Shri Rajeev Kumar Mital, Director General, NMCG ----- In Chair
2. Shri Brijendra Swaroop, Executive Director, NMCG
3. Shri Nalin Kumar Srivastava, Deputy Director General, NMCG
4. Dr. Bhaskar Dasgupta, Executive Director (Finance), NMCG
5. Shri Anup Kumar Srivastava, Executive Director (Technical), NMCG
6. Ms.Rashi Sharma, Executive Director (Administration), NMCG
7. Shri Mahesh Kumar Kashyap, Deputy Secretary (Finance), NMCG
8. Shri Subrata K. Basu, Senior Consultant (Finance), NMCG
9. Shri Manan Mudgal, Financial Management Specialist, NMCG
10. Shri Harish Kumar Shishodia, Consultant (Finance), NMCG
11. Shri Achyut Kumar Pathak, Project Assistant, Clean Ganga Fund, NMCG
12. Ms. Jigyasa Sharma, CA Consultant, NMCG
13. Ms. Priya Jain, CA Consultant, NMCG
14. Ms. Neema Joshi, Institutional Associate, NMCG
15. Shri Abhishek Sharma, Data Analyst, NMCG
16. Ms. HimaniRawat, Senior Executive Assistant, NMCG

Central Pollution Control Board, New Delhi

17. Shri Utpal Kapoor, Sr. FMS, CPCB
18. Shri Shashi Kant Mishra,FMS, CPCB

Through video conferencing:

SMCG-Uttarakhand

19. Shri Jaipal Singh Tomar, Finance Director, SMCG, Uttarakhand
20. Shri D.K. Bansal, GM, Ganga UKPJN, Uttarakhand
21. Shri Pradeep Bhatt, Sr. Financial Management Specialist, SMCG, Uttarakhand
22. Ms. ChandaMalasi, Assistant Manager (Finance), SMCG, Uttarakhand
23. Shri S.K. Verma, Project Manager,UKPJN
24. Shri Sachin Kumar, Project Manager, UKPJN
25. Shri Ravinder Singh Gangari, Project Manager UKPJN
26. Shri Ankur Kumar, Project Engineer, WAPCOS

SMCG-Uttar Pradesh

27. Shri Jogindra Singh, Project Director, Uttar Pradesh
28. Mohd. Sahzad Ahmed Ansari, Finance Director, U.P.Jal Nigam(Rural)
29. ShriShaligram, Director Finance, Uttar Pradesh
30. Shri Krishan Mohan Yadava, Technical Advisor, SMCG,Uttar Pradesh
31. Ms. Sonalika Singh, Unit Head (C&O), SMCG, Uttar Pradesh
32. Ms. Priya Agarwal, SFMS, SMCG, Uttar Pradesh
33. Shri Sandeep Kumar, Chief Engineer (Ganga), UP Jal Nigam (Rural), Lucknow, Uttar Pradesh
34. Shri ManeeshTiwary, Assistant Engineer, UP Jal Nigam (Rural), Lucknow, Uttar Pradesh

SMCG-Bihar

35. Shri Animesh Kumar Parashar, MD, BUIDCO, Bihar
36. Shri Manoj Kumar, Additional Secretary, UD&HD, Bihar
37. Shri Umakant Pandey, Project Officer cum Additional Director, UD&HD, Bihar
38. Shri Ramashankar Prasad, CGM (South), BUIDCO, Bihar
39. Shri Nishant Kumar, Project Director, NMCG Cell, BUIDCO, Bihar
40. Shri Subhash Kumar,Financial Specialist, SMCG, Bihar
41. Shri Nikhil Kumar, Chief Engineer, SMCG, Bihar
42. Shri Rajan Kumar Shaw, Accountant, SMCG, Bihar

SMCG-Jharkhand

43. Shri Suraj Kumar, Project Director, SMCG, Jharkhand
44. Shri Amit Chakravarty, Project Director (Finance),JUIDCO,Jharkhand
45. Shri Suraj Oraon,Assistant Director. JUIDCO,Jharkhand
46. Shri Bibhuti Kumar,GIS Specialist, SMCG, Jharkhand

SMCG-West Bengal

47. Shri Gopal Roy, Director, Finance & Admin, SMCG, West Bengal
48. Shri Kamal Kumar Roy, Sr. Finance Specialist, SMCG, West Bengal
49. Shri DebajyotiBasu, Accounts Officer, SMCG, West Bengal
50. Shri Arghya Bhattacharya, Accountant, SMCG, West Bengal
51. Shri PinakiHaldar, UDC,SMCG, West Bengal
52. Shri Amitava Pal, DG (P&D), KMC,West Bengal
53. Shri SubhashDey, AO,GAP, KMDA, West Bengal

Directorate of Urban Administration & Development-Madhya Pradesh

54. Shri Ramji Lal Golia, Joint Director (Finance)
55. Dr. Sitaram Taigore, Environment Expert