

Minutes of the 20th Joint meeting of the Audit Review Committee (ARC) and the Budget Review Committee (BRC) of National Mission for Clean Ganga (NMCG) held on 22 June 2023 at NMCG office, New Delhi.

The 20th Joint meeting of the Audit Review Committee (ARC) and the Budget Review Committee (BRC) of the National Mission for Clean Ganga (NMCG) was held at 11.00 AM on 22 June 2023 in NMCG office New Delhi under the chair of the Director General, NMCG. A list of participants is in Annex I.

2. At the outset, Executive Director (Finance), NMCG welcomed DG, NMCG and all participants from SMCGs and NMCG. In his opening remarks, DG-NMCG stated that the Finance Teams of NMCG and the SMCGs have done a commendable job during the last financial year. In spite of the transition to the Treasury Single Account system, actual expenditure has been at an all-time high. More than 25 organizations have been brought on –board TSA during the last FY. Financial discipline too improved significantly. He appreciated that now the funds to SMCGs are released project-wise after due internal assessment. The new financial year has started with greater conviction and confidence. He urged the Finance Teams of NMCG and SMCGs to further consolidate the good work done last year.

3. An update on events organized on the occasion of International Yoga Day was also provided by SMCGs. While expressing satisfaction about the events conducted, DG-NMCG stated that the celebration of events like Yoga Day should be a matter of inner calling, and should not depend on the availability of funds or be viewed as an obligation. More than celebrating it on a particular day, we should strive to make Yoga a part of our ethos and daily routine.

4. Thereafter, ED (Finance), NMCG made a detailed presentation before the Committee (Annex II). Thanking the DG-NMCG, he stated that without his support the significant improvements achieved in the financial management of NMCG would not have been possible. ED(F) stated that the Treasury Single Account system has indeed been a game changer, helping not only to eliminate parking of funds with implementing agencies but also instilling a sense of greater discipline. Under the previous non-lapsable fund flow system, funds once received would remain with implementing agencies till they are expended. But under the TSA, any unutilized limit lapses at the end of the financial year, which has compelled executing agencies to be more circumspect in their fund demands.

5. The Committee was informed that the final grant of Rs. 2220 crore for FY 2022-23 was fully disbursed by the NMCG. But Rs. 36.69 crore lapsed with

implementing agencies, of which Rs. 35.61 crore lapsed due to system reversal. ED(F) informed that several transactions on the last day of the financial year failed due to technical issues with PFMS/ TSA server. This is not typical of NMCG, many other organizations faced similar problems. Thus the net utilization of the Assignment Limit in FY 2022-23 was Rs. 2183.31 crore. In addition, Rs. 75.67 crores were spent from NMCG's commercial bank accounts during the first two months of the FY prior to the allocation of the assignment limit to NMCG for the Non-EAP component. Thus the total disbursement during the year by the NMCG was Rs. 2258.98 crore. Further, the 5 SMCGs have spent Rs. 372.53 crore from the carried forward bank balance of the previous years.

6. Apprising the Committee about the status of expenditure of the current FY, ED(F) stated that out of the BE of Rs. 4000 crore, Rs. 1180 crore has been assigned so far. Disbursement by NMCG is Rs. 524.57 crore (NGP EAP: Rs. 230 crore; NGP Non-EAP: Rs. 294.67 crore). Release of Rs. 50 crore for 3 HAM Projects has been concurred in by Finance and is expected in the first quarter. He emphasized that the pace of expenditure needs to be accelerated by the executing agencies. SMCGs have spent only a small part of their Q-1 allocation. Jharkhand has spent only about 4 per cent of its allocation, and Uttarakhand & Uttar Pradesh have spent about 7 per cent. Only Bihar and West Bengal have spent about 40 per cent of the assigned limit. DG, NMCG expressed concern about the slow pace of expenditure, particularly when limits were assigned on the basis of project-wise fund requirements conveyed by SMCGs themselves. He urged all SMCGs to speed up expenditure.

7. ED(F) stated that Q-1 expenditure is below the quarterly target of Rs. 1000 crore. NMCG is now required to finalize Q-2 Expenditure Plan and submit further fund demand to the Ministry. SMCG-Bihar informed that bills for about 30 crores are ready for disbursement, and they will be sending a demand of about Rs. 300 crores for the next quarter. West Bengal SMCG indicated a demand of about Rs. 20 crores. The remaining SMCGs still have a large unused fund and are unlikely to require any further funds in Q-2. Among other agencies, Rs. 210 crores are estimated requirements for HAM Projects. Some of the recently sanctioned projects are likely to be awarded during the next quarter, and Rs. 190 crores have been assessed by the Project Division for such projects in the next quarter (mainly mobilization advance). Delhi Jal Board and JTETA are the two other agencies that may require substantive funds over the next 3 months. The total demand for Q-2 is assessed to be about Rs. 1150 crore. Since Rs. 650 crore assignment limit is still unutilized, the net requirement for the second quarter would be around Rs. 500 crore.

8. It was pointed out by the ED(F) that some of the SMCGs are submitting fund demands in a piecemeal manner. Processing fund demands, irrespective

of their size, take similar time and efforts. More importantly, piecemeal submission of fund requirements defeats the very purpose of quarterly expenditure plans. He advised SMCGs to assess all requirements of funds while submitting their quarterly fund demands. Any urgent/ sudden demand can be met from the unspent balance available with SMCGs under intimation to the NMCG and subsequently claimed as part of the next quarterly demand. But utilization will have to be provided project/ activity-wise. DG-NMCG directed SMCGs not to raise piecemeal fund demand, and assess and consolidate all requirements as part of quarterly fund demand.

9. The Committee was also informed about the status of the reconciliation exercise. ED(F) stated that after a lot of hard work and several rounds of deliberations/ visits during the last 6 months, release by NMCG and expenditure by SMCGs have been fully matched for all SMCGs except SMCG-UP, year-wise and project-wise, from FY 2011-12 to FY 2022-23. A summary of reconciled accounts was presented to the Committee. While the accounts have been matched, the exercise has also brought to the fore several accounting issues, which require further consideration. This includes accounting treatment of interest utilized in the previous years, inter se transfer of funds between different budget heads, accounting treatment of refund of unspent balance & interest., correcting over/under booking of expenditure in NMCG books for past years and treatment of miscellaneous income reported by SMCGs. It was decided that advice from the CGA will be sought on these issues.

10. ED(F) stated that after accounting for the state share (in respect of older projects implemented on sharing basis), interests accrued on grants-in-aid etc., Rs. 386.70 crore and Rs. 19.61 Crore are due for refund by the SMCG-Bihar and SMCG-Jharkhand respectively. UCs for an amount of Rs. 29.24 crore are due from SMCG-Uttarakhand. SMCG-West Bengal seems to have overspent slightly from the State share, and an amount of Rs. 4.66 crore is payable to them. ED(F) stated that he has written to Project Director, Bihar requesting for early refund and spoken to PD-Jharkhand regarding the amount due. Representative of SMCG-Bihar informed that a proposal to refund the said amount has been initiated.

11. So far as SMCG-Uttar Pradesh is concerned, it was informed that the SMCG has reported receipt of a significant amount from UP Jal Nigam (UPJN). But no record of such release to UPJN has been traced in the books of NMCG. Therefore, SMCG-UP has been advised to obtain the source of such funds from UP Jal Nigam. Reconciliation of their accounts is possible only thereafter. DG-NMCG directed SMCG-UP to obtain the necessary records from UPJN at the earliest.

12. The Committee was also informed about the significant progress made in the reduction of due UCs (UCs pending more than a year), which now stands at Rs. 366.17 crore, including Rs. 270.15 crore due from DoDWS for rural sanitation interventions in Ganga Grams. ED (F) stated that the issue of pending UCs has been taken up with DoDWS at the highest level, and discussed twice in the ETF chaired by Hon'ble Minister of Jal Shakti. These UCs are pending from the State Rural Sanitation Missions. Although DoDWS has been following up with them, no tangible progress has been made. It was reported that total pending advances in NMCG's books have also come down to Rs. 1100 crore from about Rs. 2800 crore a few months back. Agency-wise details of pending advances were presented to the Committee.

13. So far as Audit related activities are concerned, ED(F) provided an overview of various Audit obligations of NMCG. Given the special nature of NMCG, it is subjected to multifarious Audits:

- Audit of Annual Accounts by C&AG as per Authority Notification & GFR.
- Statutory Audit by a CA Firm to fulfil the requirement IT Act, 1961.
- Compliance/ Transaction Audit done annually by C&AG
- Certification Audit in respect of World Bank assisted Projects by C&AG.
- Performance Audit by C&AG
- Quarterly Internal Audit as per NGRBA framework.

14. It was reported that all Audit activities of NMCG are now on track. Annual Accounts for FY 2021-22 were finalized as per the specified timelines, and Audited Accounts were laid on the table of the Parliament on 22 December 2022, i.e., within the GFR stipulated period. Annual Accounts for FY 2022-23 are also ready and will be submitted to the O/o C&AG within the prescribed deadline of 30 June.

15. So far as the Certification Audit is concerned, the C&AG certificate for FY 2021-22 has been received and shared with World Bank & DEA on 05.06.2023. For Second Bank Assisted Project, an entrustment request has been sent to DEA on 23.05.2023. Statement of Expenditure (SoE) for FY 2022-23 has also been sent to C&AG on 20.06.2023. For the Tax Audit of Annual Accounts of FY 2022-23, a CA firm has been engaged through GeM.

16. ED(F) informed the Committee that another Performance Audit of NMCG for the period 2017 to 2023 will commence soon. An entry conference with NMCG by DG(Audit) is likely to be held next week. Similar entry conferences will thereafter be held with SMCGs by respective State Accountant Generals. He advised all SMCGs to designate a Nodal officer for interaction with Audit authorities.

17. Internal Audits are also on schedule. For NMCG, the Internal Audits for the first 3 Quarters of FY 2022-23 have been completed. All SMCGs have also completed internal Audits for at least 3 quarters. The major observations in the Internal Audit Reports of NMCG and action taken thereon were presented to the Committee.

18. Going forward, as approved by the ARC in its 18th meeting, the internal auditor from FY 2023-24 will be engaged centrally by the NMCG. The bid document was published on GeM on 15.05.2023. 15 bids were received, and technical evaluation is under progress at present. ED(F) pointed out that the Internal Auditor will have a wider mandate, and Audits for different quarters will focus on different aspects. At present, Internal Audits tend to look at similar areas during all quarterly Audits, and thereby come up with similar observations. The new system is expected to harmonize internal audits for all SMCGs, and ensure optimal utilization of the instrument of internal audit.

19. Finally it was informed that SMCGs are still not conducting their ARC/BRC meetings regularly. It is also not very clear whether the observations of Internal Audits are examined and acted upon regularly by SMCGs. ED(F) advised all SMCGs to hold regular quarterly meetings of ARC/BRC. DG-NMCG directed SMCGs to convene ARC/BRC meetings every quarter, which would also be a very useful platform to resolve finance and budget-related issues at the SMCG level.

20. The key action points emanating from the deliberations include:

- (i) SMCGs to conduct regular expenditure reviews with Executing Agencies, and make efforts to accelerate the pace of expenditure.
- (ii) CGA to be consulted on accounting issues emerging from the reconciliation exercise.
- (iii) SMCG-UP to furnish requisite supporting documents in respect of funds reported to have been received from the UPJN.
- (iv) SMCGs of Bihar and Jharkhand to refund the unspent balance of central share at the earliest as agreed during reconciliation. SMCG-Uttarakhand to furnish UCs for the amount due.
- (v) SMCGs to raise all fund requirements as part of the consolidated quarterly expenditure plan. Any sudden/ urgent fund requirements

may be met out of unspent balance with them under intimation to the NMCG and claimed part of the next quarterly demand.

- (vi) The due UCs to be followed up with DoDWS and other agencies with significant due UCs.
- (vii) All SMCGs to hold ARC/BRC meetings regularly every quarter.
- (viii) All SMCGs and Divisions of NMCG to designate nodal officers for the upcoming Performance Audit of NMCG.

The meeting concluded with a vote of thanks to all participants.

List of Participants present in the 20th Joint meeting of the Audit review Committee (ARC) and Budget Review Committee (BRC) of National Mission for Clean Ganga (NMCG) held on Thursday, 22 June 2023 at NMCG office, New Delhi.

1. Shri G Asok Kumar, Director General, NMCG----- In Chair
2. Shri S.P. Vashisth, Executive Director (Administration), NMCG
3. Shri Bhaskar Dasgupta, Executive Director (Finance), NMCG
4. Shri Jagmohan Gupta, Advisor, NMCG
5. Shri Brijesh Sikka, Senior Consultant (Bio-diversity), NMCG
6. Shri Jasvinder Singh, Senior Consultant (Finance), NMCG
7. Shri Manan Mudgal, Financial Management Specialist, NMCG
8. Shri Harish Shishodia, Consultant (Finance), NMCG
9. Ms. Neema Joshi, Institutional Associate, NMCG
10. Mr. Achyut Pathak, Project Assistant, Clean Ganga Fund

Through video conferencing:

11. Shri Ranjan Kumar Jana, Director (Finance), SMCG West Bengal
12. Shri Pradeep Bhatt, Sr. FMS, SMCG Uttarakhand
13. Ms. Priya Agarwal, Sr. FMS, SMCG UP
14. Shri Jai Prakash Agarwal, Sr. FMS, SMCG Bihar
15. Shri Bibhuti Kumar, MIS/ GIS Specialist, SMCG Jharkhand
16. Shri Sharvan Prasad Gupta, Accountant, SMCG Jharkhand

National Mission for Clean Ganga

20th Joint Meeting

Budget and Audit Review Committees

Thursday, June 22, 2023

Time: 11:00 AM

FY 2022-23 : Review of Budget

Rs. in Crore

Budget Estimates	2800.00
Revised Estimates	2500.00
Surrendered (on 03.12.2022)	280.00
Final Grant received	2220.00
Disbursed by NMCG	2220.00
Amount Lapsed with grantees	36.69
• Unutilized grants	1.08
• Due to system failure	35.61
Assignment Limit utilized (net)	2183.31

Assignment Limit lapsed in FY 2022-23

Agency	RBI System failure		Unutilized Assignment Limit	Total limit lapsed
	Limit (in Rs.)	No. of transactions		
National Mission for Clean Ganga Forest Deptt., Uttar Pradesh	4,249,221	1	-	4,249,221
	-	-	786.00	786.00
State Mission for Clean Ganga-Bihar	351,272,881.00	5	922,801.00	352,195,682
Central Pollution Control Board	-	-	7,417,215.00	7,417,215
Delhi Jal Board	-	-	614,744.00	614,744
Engineers India Limited	-	-	90,205.00	90,205
IIT-Roorkee	-	-	987,140.00	987,140
State Mission for Clean Ganga-Uttarakhand	612,896.00	2	93,539.00	706,435
The Energy and Resources Institute	-	-	18,750.00	18,750
State Mission for Clean Ganga-Uttar Pradesh	-	-	640,926.00	640,926
				-
Total	356,134,998.00	8	10,786,106.00	366,921,104
Total (Rs. in crore)	35.61		1.08	36.69

FY 2022-23 : Review of Expenditure

Rs. in Crore

Assignment Limit	2183.31
Pre-TSA Bank Accounts (prior to assignment of limit for non-EAP head)	75.67
Total	2258.98

In addition, 5 SMCGs spent Rs. 372.53 crore from their bank accounts during FY 2022-23.

Uttarakhand	Rs. 8.28 Crore
Uttar Pradesh	Rs. 87.76 Crore
West Bengal	Rs. 30.73 Crore

Bihar	Rs. 240.48 Crore
Jharkhand	Rs. 5.47 Crore
Total	Rs. 372.53 Core

FY 2022-23 : Agency-wise Disbursement as on 31.03.2023

	EAP	NON-EAP	Total
Uttarakhand SMCG	1.11	70.30	71.41
Bihar SMCG	483	160.80	643.80
West Bengal SMCG	18.59	124.08	142.67
Jharkhand SMCG	0	2.77	2.77
Uttar Pradesh SMCG	0	105.45	105.45
Total SMCG	502.70	463.34	966.04
State Forest Department - UK	0	8.93	8.93
State Forest Department - Bihar	0	15.14	15.14
State Forest Department - Jharkhand	0	0.99	0.99
State Forest Department - UP	0	9.07	9.07
Total State Forest Departments	0	34.13	34.13
CPCB	12.73	16.31	29.04
ICAR-CIFRI	0	4.53	4.53
EIL	0	2.28	2.28
TERI	0	0.24	0.24
DJB	70	5.4	75.40
IIT-Roorkee	0	0.13	0.13
IIT-Kanpur	0	0.17	0.17
Total Other Agencies	82.73	29.12	111.79
Escrow Account	281.23	458.36	739.59
JTETA	0	142.38	142.38
Payment to Vendors	2.60	184.50	187.10
UBI Bank holding A/c		2.30	2.30
Total	869.26	1314.06	2183.31

FY 2023-24 : Disbursement (as on 22.06.2023)

Rs. in Crore

		Non-EAP	EAP	Total
A	Assignment Limit received	700.00	480.00	1180.00
A.1	Assignment Limit utilized	293.01	230.00	523.01
B	Carried forward balance of NMCG	2.30	-	2.30
B.1	Carried forward balance utilized	1.56	-	1.56
C	Total amount disbursed/ expended (A.1+B.1)	294.57	230.00	524.57
D	Balance Assignment Limit	406.99	250.00	656.99

Major Disbursement in FY 2023-24

Disbursement (as on 22.06.2023)			(Rs.in cr.)
	EAP	Non-EAP	Total
SMCG Uttar Pradesh	11.66	90.48	102.14
SMCG Jharkhand	0.50	30.50	31.00
SMCG Bihar	99.5	68.00	167.50
SMCG Uttarakhand	0.60	21.34	21.94
SMCG West Bengal	7.00	20.00	27.00
Delhi Jal Board (DJB)	78.49	0.00	78.49
HAM Project:-Digha- Kankarbagh	32.09	0.00	32.09
PCDA , New Delhi (GTF)	0.00	33.81	33.81

Q-2 Expenditure Plan (1/2)

- Budget provision for FY 2023-24: Rs. 4000 crore.
- Need to spend Rs. 1000 crore each quarter.
- Expenditure so far: Rs. 523 Crore, way behind target.

Quarter-2 Plan:

Proposals concurred by Finance

- ✓ 3 HAM projects: Rs. 49.18 crore (Mirzapur-Ghazipur: Rs. 19.04 crore, Farukhabad: Rs. 20.4 crore, Ayodhya: Rs. 9.74 crore).

Likely Proposals:

- ✓ Delhi Jal Board: Rs. 100 crore (balance central share as per AA&ES).
- ✓ JTETA: Rs. 150 crore.
- ✓ Banther: Rs. 10.00 crore.
- ✓ HAM Projects: Rs. 210.00 crore
- ✓ Projects under tendering: Rs. 190 Crore (likely disbursement in next 6 months as assessed by Project Division)
- ✓ Operational expenses: Rs. 30.00 Crore.
- ✓ Other Projects: Rs. 50.00 Crore.
- Total: Rs. 790 Crore (approx.)**

Q-2 Expenditure Plan (2/2)

	Amount released	Utilization so far	Expected demand
Uttarakhand	21.94	1.41	No fresh demand expected
Uttar Pradesh	102.14	7.09	
Bihar	167.50	64.31	
Jharkhand	31.00	1.28	
West Bengal	27.00	10.12	Rs. 30 Crore

- Progress of expenditure is rather tepid; particularly slow for Uttarakhand & Jharkhand.
- SMCGs advised to accelerate spending and plan for Quarterly Expenditure sufficiently in advance.
- SMCGs may provide estimated Annual requirements at the earliest so that NMCG can make a realistic projection at the RE stage.
- Some of the SMCGs are sending very small fund demands in piecemeal. SMCGs are requested to consolidate all requirements in Quarterly Expenditure Plan.

Reconciliation exercise

- C&AG has been emphasizing the need for a thorough reconciliation.
- Started in October, 2022. Covers FY 2011-12 to FY 2022-23.
- NMCG Team visited SMCGs. Several rounds of deliberations held.
- SMCG Teams visited NMCG office recently to conclude the reconciliation:
 - I. Uttarakhand: 26-27 May, 2023
 - II. Bihar: 06-07 June, 2023
 - III. West Bengal: 16-17 June, 2023
 - IV. Uttar Pradesh: 19-20 June, 2023
- Release by NMCG & expenditure by SMCGs are now reconciled year-wise & project-wise; except for SMCG-UP. Few accounting issues though remain.

Reconciliation Summary: Bihar

	Head/ description	Release	Exp.	Amount refunded	Assignment Limit lapsed	Refund / UC due
A.	NGP-Non EAP (including erstwhile National Ganga Plan, Ghat Works and Non EAP)	729.47	546.74	44.84	36.01	101.88
B.	NGP-EAP (including erstwhile budget head of EAP)	2391.00	2105.72	----	0.46	284.82
C =A+B	NMCG Grants-in-aid	3120.47	2652.46	44.84	36.47	386.70
D	Fund received by BUIDCO from NRCD/ MoEF&CC	27.42	27.42			
E= C+D	Total (including receipt & exp. By BUIDCO)	3147.89	2,679.88	44.84	36.47	386.70
F	Transfer to Digha-Kankarbagh Escrow Account through SMCG	89.40	89.40			
G=C+D+F	Total (NMCG +BUIDCO + transfer to Escrow A/c)	3237.29	2769.28	44.84	36.47	386.70
H=C+F	Total (NMCG+ transfer to Escrow A/C)	3209.87	2741.86	44.84	36.47	386.70

Reconciliation Summary: West Bengal

Head	Release	Exp.	Int. earned	Int. utilized	Int. Refunded	Refund / UC due
(1)	(2)	(3)	(4)	(5)	(6=4-5)	7=(2+5)-3
NGP-Non EAP (including erstwhile National Ganga Plan, Ghat Works and Non EAP)	511.11	522.05	9.03 (7.75+1.28)	6.28 (5+1.28)	2.75	-(4.66)
NGP-EAP (including erstwhile EAP head)	469.28	469.28			----	----
NMCG Grants-in-aid	980.39	991.33	9.03	6.28	2.75	-(4.66)
Fund received by SMCG from KMDA	35.78	22.89				
		12.89				
Total (including receipt from KMDA)	1,016.17	1,014.22			----	
		12.89				

- (i) Rs. 7.75 crore interest was received under Non-EAP (old) head & Rs. 1.28 crore interest received under NGP (old)head.
- (ii) Rs. 35.78 crore received by KMDA from NRCD was passed on to SMCG as opening balance. Out of this Rs.22.89 crore was spent on projects carried forward to Namami Gange Programme, and Rs.12.89 crore was spent on other projects.

Reconciliation Summary: Uttarakhand

Head	Release	Exp. based on UCs	Amount refunded	Assignment Limit lapsed	Refund / UC due
(1)	(2)	(3)	(4)	(5)	6=2-(3+4+5)
NGP-Non EAP (including erstwhile National Ganga Plan, Ghat Works and Non EAP Heads)	712.85	685.61	1.20	4.90	21.59
NGP-EAP (including erstwhile budget head of EAP)	172.80	162.33	2.85	-----	7.65
NMCG Grants-in-aid	885.65	847.94	4.05	4.90	29.24

Reconciliation Summary: Jharkhand

	Head	Release	Exp. based on UCs	Amount refunded	Assignment Limit lapsed	Refund / UC due
	(1)	(2)	(3)	(4)	(5)	6=2-(3+4+5)
A.	NGP-Non EAP (including erstwhile National Ganga Plan, Ghat Works and Non EAP Heads)	57.85	47.36	0.86	-----	9.63
B.	NGP-EAP (including erstwhile budget head EAP)	131.07	121.09	-----	0.70	9.98
C =A+B	NMCG Grants-in-aid	188.92	168.45	0.86	0.70	19.61

Status of reconciliation: Uttar Pradesh

Gross Release	Int. earned	Int. refunded	Int. utilized	Unspent grant refunded	AL lapsed
2716.09	72.28	55.03	17.25	28.53	0.06

- Reconciliation with SMCG-UP requires more work.
- For Ghat and NGP (old) heads expenditure reported is matched with release, although a few accounting issues remain.
- For EAP(Old) head, expenditure reported by UPJN exceeds NMCG's release. SMCG has stated that the difference is because about Rs. 135.00 crore was directly received and spent by the UPJN on NMCG projects. But it is not clear who released this amount to UPJN. SMCG-UP has now taken up this issue with UPJN.
- Under the Non-EAP (old) head, UPJN has deposited Rs. 43.55 crore in SMCG accounts. This does not appear to be a refund of unspent grants in aid as the expenditure reported by UPJN is close to NMCG's release to SMCG under this head. SMCG has been advised to ascertain source of the amount refunded.

Reconciliation: Way forward

- Detailed documentation will be done.
- To be accessible to all.
- Going forward, Google drive-based common database for NMCG & all SMCGs.

Accounting Issues

- Statements of release and expenditure are now matched (except for UP). But the exercise has brought to the fore several accounting issues, particularly in view of transition to TSA:
 - Accounting treatment of interest utilized in the previous years.
 - Inter se transfer of fund between different heads.
 - Accounting treatment of refund of unspent balance & interest.
 - Correcting over/under booking of expenditure in NMCG books for past years.
 - Treatment of miscellaneous income reported by SMCGs.

Status of Utilization Certificates

As on 22.06.2023

Utilization Certificates Due (pending more than 1 year)	
Total UCs due	366.17
UCs due from DoDWS	270.15
Due UCs (excluding DoDWS)	96.02
Total UCs pending (including UCs not yet due)	
Total UCs pending	1112.25
UCs pending from DoDWS & SMCG-Bihar	690.58
Pending UCs excluding SMCG-Bihar & DoDWS	421.67

Agencies with significant due/ pending UCs (1/2)

In Rs. Crore

Agency	Amount pending/ due	Action Taken/ Remark
SMCG-Bihar	420.83	After reconciliation, total UCs pending is Rs. 420.43 crore. Refund of Rs. 386.70 crore expected shortly. Remaining amount is lapsed Assignment Limit, which will be certified in UC.
DoDWS	270.15	These UCs are pending from State Rural Sanitation Missions. This has been discussed twice in the ETF meetings. DG has also written to Secretary, DoDWS twice. They are pursuing State Missions, but without tangible results so far.
SMCG-Jharkhnad	19.61	A proposal for refund under submission to State Finance Department at present.
SMCG- Uttarakhand	46.07	UCs not yet due.
Survey of India	43.12	DG has written to Secretary, DST requesting for UC/ refund on 21.06.2023.
IIT – Kanpur (C-Ganga)	19.47	DG has written to Director IIT-K requesting for UC/ refund on 21.06.2023.
CPCB	13.89	The pending UCs are for PIAS Project. Is being followed up.

Agencies with significant due/ pending UCs (2/2)

Agency	Pending UCs	Action Taken/ Remark	In Rs. Crore
Nehru Yuva Kendra	5.15	NYKS has informed that they are required to collate information from Regional Offices. UC expected by the end of June, 2023. Proponent Unit requested to follow up.	
IIPA	2.06	Details shared with PU for follow-up.	
Haryana Public Health Department	1.03	UCs furnished for Rs. 88.48 Crore as against release of Rs. 89.61 crore. ED(F) has written to the State Govt. on 5.06.2023 requesting for UC for the balance amount of Rs. 1.13 cr. PU also advised to follow up.	
Urban Improvement Trust, Kota	3.46	NMCG has released grants amounting to Rs. 70.00 crore, for which UC has been received. Some interest has also accrued, which we have requested them to refund.	
WAPCOS	5.75	Discussed in a review meeting taken by ED(F). WAPCOS team visited NMCG for reconciliation on 20.06.2023. Details of pending UCs shared with them. Expected to be resolved shortly.	
WII	7.32	Not yet due.	
State Forest Departments	44.84	Reconciled with SFD-UP. Reconciliation on-going with SFDs of Uttarakhand, Bihar, Jharkhand and West Bengal.	

Audit Issues: An Overview

Annual Accounts for FY 2022-23:

- Due date for submission to C&AG: 30.06.2023
- Being finalized & will be put up to DG by 26.06.2023.

Certification Audit

- C&AG certificate for FY 2021-22 shared with World Bank & DEA on 05.06.2023.
- For Second Bank Assisted Project, entrustment request sent to DEA on 23.05.2023.
- SoE for FY 2022-23 sent to C&AG on 20.06.2023.

Tax Audit for FY 2022-23

- Engagement of a CA firm completed. Audit to commence soon.

Performance Audit

- Performance Audit of NMCG to be conducted by the C&AG for 2017 to 2023.
- Preliminary scoping analysis done by the C&AG team.
- An entry Conference to be scheduled shortly.
- Programme Divisions of NMCG advised to designate a Nodal Officer in advance.
- SMCGs also requested to take preparatory action.

Internal Audit FY 2022-23

NMCG	Q1, Q2 & Q3 audit completed. Observations and ATR are being presented today.
Uttarakhand	Completed for all quarters. Q1 & Q2 reports received; Q3 & Q4 reports awaited in NMCG.
Uttar Pradesh & Bihar	Q1, Q2 & Q3 audit completed. Reports received for Q1 & Q2 & awaited for Q-3. Q-4 audit under process.
Jharkhand & West Bengal	Q1, Q2 & Q3 audit completed and reports received. Q4 audit under process.

Engagement of Internal Auditor for FY 2023-24 to FY 2025-26

- Bid document published on GeM on 15.05.2023.
- Technical bids opened on 17.06.2023.
- 15 bids received.
- Bids under evaluation, clarifications sought from several bidders.

Internal Audit Observations

Observation	Action Taken
No expenditure incurred till the FY 2022-23 against Rs. 2.00 crore grant received for Ghat Works in FY 2018-19	Adjustment entry has been passed in the accounts of FY 2022-23.
Pending advances unadjusted with ITBP for FY 2019-20 to 2021-22.	It relates to a book published in connection with a River Rafting expedition by ITBP in FY 2019-20. Out of a grant of Rs. 10 lakh, UCs for Rs. 9.30 lakh received Pending UC of Rs. 70,000 is being pursued.
Prior period expenses booked under the head "Prior Period expenses" during the period April to Sept. 2022 resulting in the overstatement of income and understatement of previous year.	Expenses were booked as per the observations of the C&AG auditors in the previous year.

Internal Audit Observations

Long pending Utilization Certificates.

DAVP (2017-18)	This is related to a rolling advance of Rs. 1 Crore given to DAVP in 2017-18. Communication Unit has been requested to take it up with the DAVP.
Bihar Rural Livelihoods Promotion Society (2021-22 & 2022-23)	The matter has been discussed in the ETF meetings held on 08.12.2022 & 20.04.2023. Taken up with Secretary, DoDWS. They are pursuing with State SBMs.
Uttarakhand Swachh Bharat Mission	
UP State Waste & Sanitation Mission	
Engineering Project (India) Ltd.	Pending UCs received.
NEERI	Old pending UCs received.
Haryana Public Health Engineering Department (PHED)	UCs furnished for Rs. 88.48 Crore as against release of Rs. 89.61 crore. ED(F) has written to the State Govt. on 5.06.2023 requesting for UC for the balance amount of Rs. 1.13 cr. PU also advised to follow up.

Internal Audit Observations

Long pending Utilization Certificates

SPMG Uttar Pradesh	Reconciliation of accounts is under process
SPMG Bihar	After reconciliation, total UCs pending is Rs. 420.43 crore. Refund of Rs. 386.70 crore expected shortly. Remaining amount is lapsed Assignment Limit, which will be certified in UC.
SPMG West Bengal	After reconciliation, no UC is pending from SMCG-West Bengal.
WAPCOS Ltd.	Discussed in a review meeting taken by ED(F). WAPCOS team visited NMCG for reconciliation on 20.06.2023. Details of pending UCs shared with them. Expected to be resolved shortly.
District Ganga Committee, Kanpur (2019-20)	Out of a total advance of Rs. 25.90 lakh, UC has been furnished for Rs. 17.89 lakh. The balance amount of Rs. 8.01 lakh refunded on 29.04.2023. Matter stands resolved.

Internal Audit Observations

Long pending Utilization Certificates

• Jajmau Tannery Effluent Treatment Association	Due UCs received. Only UCs for grants released in current FY pending.
• Uttarakhand Forest Department (DFO Dehradun)	Reconciliation underway.
• Urban Improvement Trust, Kota	NMCG has released grants amounting to Rs. 70.00 crore, for which UC has been received. Some interest has also accrued, which we have requested them to refund.

Internal Audit Observations (Project Division)

Observation	ATR/ Comments
No/Minimal physical progress reported for Sewage infrastructures projects	
SMCG Bihar (Barahiya, Dehri, Ramnagar, Sapaul, Narkatiyaganj)	<p>Barahaiya: Under bidding. Two bidders qualified out of three.</p> <p>Dehri: Financial Bids opened, to be awarded by BUIDCO post board approval.</p> <p>Ramnagar: 3 qualified bidders. Financial bids opened. Evaluation under process.</p> <p>Supaul: 6 bids received. Under Technical Evaluation.</p> <p>Narkatiyaganj: Under Tendering. Last date of bid submission: 22.06.23.</p>
UP (Saharanpur, Mathura, Moradabad (Ramganga), Meerut (River Kali), Varanasi, Chhata, Kosi, Vrindavan)	<p>Saharanpur: Bid evaluation report under submission to WB.</p> <p>Mathura: Financial bid opened, award expected shortly.</p> <p>Moradabad: 10 percent physical progress.</p> <p>Kali: Work awarded on 27.05.2023.</p> <p>Chhata, Kosi, Vrindavan: Under tendering, Bid submission date: 26.06.2023.</p>

Internal Audit Observations (Project Division)

Observation	ATR/ Comments
No/Minimal physical progress reported for Sewage infrastructures projects	
Uttarakhand (Rudraprayag, Muni ki Reti, Haridwar, Devprayag, Dehradun)	All projects completed except Rudraprayag, for which bids are under technical evaluation.
West Bengal (Tolly nullah, Burdwan, Keorapukur)	Tolly Nulla: Bid document submitted to the World Bank for NOC. Burdwan: Fourth call failed. Scope being revised. Keorapukur: Under bidding. Bid submission date extended up to 12.07.2023.

Internal Audit Observations (Technical, Ecology Cons. & Arth Ganga Divisions)

Following not completed within stipulated time:	ATR/ Comments
Involvement of Youth in Namami Gange Programme – by NYKS	Due to COVID, approved village level activities, workshops, trainings could not be conducted as per the timeline. The Project has closed on 31st May, 2023
To develop a framework model for implementation of Arth Ganga concept	Project with revised scope and deliverables completed in March 2023. Also IIM- IIT Consortium presented the District Reports to the 53 District Ganga Committee in March, 2023 and discussed the model framework for implementation of Arth Ganga.
Conserving and Sustainably Managing Gangetic Flood Plain Wetlands of Uttar Pradesh	The project was originally sanctioned in 2019, but later restructured in June, 2020 with one-year implementation period. An extension was also given up to 15.05.2022. Project completed by that date.
Bioremediation project titled “Treatment of Ramnagar Drain at Varanasi	The project was sanctioned on 26.03.2018. After, a successful trial run, bioremediation work was undertaken from 10.04.2019 to 30.03.2020. A committee constituted to assess the impact of the Project gave an adverse report, and the Project has been suspended.

Internal Audit Observations (Technical, Ecology Cons. & Arth Ganga Divisions)

Following not completed within stipulated time:	ATR/ Comments
Environmental Flow Assessment for Yamuna River from Hathanikund Barrage to Okhla Barrage – by National Institute of Hydrology, Roorkee	Project completed. Project report received in NMCG.
Census Survey of Water Bodies in Ganga Basin by Quality Council of India	QCI survey of 5 Ganga basin States carried out in 2018-19 indicated 1,100 government-owned waterbodies. The data with DoWR, RD&GR indicates a much larger number of government-owned water bodies in these States. NMCG has sent QCI reports to the District Administration for review and data verification as per Government records.
Generation of High Resolution DEM and GIS Ready Database for part of River Ganga for NMCG – (by Survey of India)	Has been extended till July 2023. The data delivery process is going on at present.
GIS based Mapping of Microbial Diversity across the Ganges for Ecosystem Services (by NEERI, Nagpur)	<p>The project got delayed first due to COVID, and then due to a decision to disengage the private partners. Now, deliverables of private partners are also processed by NEERI itself.</p> <p>Data collection is now complete, and analysis is ongoing. Final Report expected by July end.</p>

Internal Audit Observations (Admn. Division)

Observation	ATR/Status
Recovery of Security Deposit pending from 4 agencies (Vigyan Bhawan, SAI, JLN Stadium, Directorate of Estate) during FY 2014-15 to 2018-19	SAI: Out of a security deposit of Rs. 1.50 lakh, Rs. 1.32 lakh refunded after adjustment of electricity charges. Remaining observations shared with Admin. Division for necessary action.
No Physical verification of fixed assets conducted after 2018-19.	Physical verification of Inventory/ store for the financial year 2016-2022 conducted by a Committee constituted for this purpose and a report furnished on 29.08.2022. For FY 2022-23, observation shared with Admn. Division for necessary action.
No Physical verification of Library books and IT stocks conducted for FY 2022-23.	Physical verification of library books conducted for FY 2019-20 to FY 2021-22. For FY 2022-23, observation shared with Admn. Division for necessary action.
Fixed Assets register & Stock register for stationary/consumables stores not maintained as prescribed in Form GFR-22 & Form GFR-23 respectively.	Observation shared with Admn. Division for necessary action.

Thank You