F No. G-25/2023 – Budget (NMCG) (CF No.: 283511)

भारत सरकार

जल शक्ति मंत्रालय

जल संसाधन, नदी विकास और गंगा संरक्षण विभाग

राष्ट्रीय स्वच्छ गंगा मिशन (एनएमसीजी)

प्रथम तल,
मेजर ध्यानचंद नेशनल स्टेडियम,
नई दिल्ली-110002
दिनांक:- 17 मई 2024

To

(i) The Project Director of SMCGs of Uttarakhand, Uttar Pradesh, Bihar, Jharkhand & West Bengal

(ii) Grantee Organizations as per list

Subject: Advisory for submission of Utilization Certificates

This is in reference to the submission of Utilization Certificates (UCs) for the grants-in-aid released by the National Mission for Clean Ganga.

2. An advisory was issued in this regard on 24.08.2023. However, the UCs furnished by the grantee organizations are still deficient many a times. The guidelines have been elaborated to address the frequently observed deficiencies. The updated guidelines for preparation of UCs are **attached** herewith.

3. All grantees are advised to furnish UCs as per the attached guidelines. In case of any doubt, draft UCs may be shared with the Finance Wing of NMCG for advice.

Yours faithfully

(भास्कर दाशगुप्ता)
कार्यकारी निदेशक (वित्त)
दूरभाष. 011-23049442

Encl: As above

प्रतिलिपि : सूचनार्थ हेतु प्रेषित ।

(i) उपमहानिदेशक, एनएमसीजी

(ii) कार्यकारी निदेशक, एनएमसीजी (प्रशासन/परियोजना/तकनीकी)

(iii) परामर्शदाता/वरिष्ठ सलाहकार (श्री ब्रिजेश सिक्का),एनएमसीजी

प्रतिलिपि : सूचनार्थ हेतु प्रेषित - निजी सचिव, महानिदेशक, एनएमसीजी

Guidelines for preparation of Utilization Certificates

Updated as on 17.05.2024

(i) SMCGs and other Grantees are required to submit Utilization Certificates quarterly in **Form 12 A** of the **General Financial Rules, 2017**. Submission of UCs in any other Form is not acceptable. Form 19 A of GFR 2005 is also not the correct form for submission of UCs, as GFR 2005 have been superseded by GFR 2017. **This needs to be read with Rules 238 (1) and (2) of GFR. 2017.**

(ii) GFR 2017 (updated up to 31.07.2023) is available on the website of the NMCG (https://nmcg.nic.in →Divisions→Finance→GFR 2017). **A copy of Form 12 A is also attached**.

(iii) UCs are required to be signed by **both Head of the Organization and Chief Finance Officer.**

(iv) Utilization of funds is required to be reported project-wise and activity-wise, along with outcomes achieved. A format for this purpose, **which is to be attached to the UC in Form 12 A**, was circulated vide DO dated 10.10.2022 (enclosed for ready reference). This is also available on the website of the NMCG. **While this format is meant for SMCGs, other grantees can also use it with suitable modifications.**

(v) Augmentation of any budget head is NOT permissible. SMCGs/ grantees cannot reallocate grants released/ assigned by the NMCG from one object head to another (such as "Grants-in- aid – General" and "Grants for creation of Capital Assets"). Any augmentation in Grants-in-aid requires approval of the Parliament.

(vi) Utilization of grants-in-aid will have to be reported under the head for which grants were released.

(vii) A doubt has often arisen about reporting of closing balance in the UC. The closing balance may comprise both unadjusted advances and bank balance (though under TSA, there should not be any bank balance at the end of the year). While the Table at S No. 4 of Form 12-A provides for a single entry for "Closing Balances", there is provision to report end of the year "cash in hand" and "unadjusted advance" separately below the said Table. **Therefore, the grantees are advised to report the aggregate closing balance (bank balance plus unadjusted advance) in the Table. The break-up of "cash in hand" and "unadjusted advance" may be provided separately**.

(viii) Rule 238(2) of GFR stipulates that before grants-in-aid are released for the first time in a particular year, UCs in respect of grants released in preceding years must be furnished. Therefore, before submitting fund demand in a new financial year, grantees may ensure all UCs for preceding years have been submitted.

(ix) Normally no interests should be earned on grants-in-aid under the Treasury Single Account System. However, in case any interest has accrued, same may be refunded immediately after finalization of Annual Accounts [Rule 230(8) of GFR].

(x) In case of release of grants by NMCG to a **State Government**, **Rule 239 of GFR, 2017 is applicable**. State Governments are required to submit Utilization Certificate in Form 12 C. **A copy of Form 12 C is also attached**.

*****

Government of India
Ministry of Jal Shakti
Department of Water Resources, River Development & Ganga Rejuvenaiton
National Mission for Clean Ganga

Major Dhyan Chand Natinal Stadium
New Delhi-110001
24 August 2023

To

(i) The Project Director of SMCGs of Uttarakhand, Uttar Pradesh, Bihar, Jharkhand & West Bengal
(ii) Grantee Organizations as per list

Subject: Advisory for submission of Utilization Certificate

General Financial Rules, 2017 (GFR-2017) require submission of Utilization Certificates (UCs) in a prescribed format. However, it has been observed that some of the organizations receiving grants-in-aid from the National Mission for Clean Ganga are not furnishing UCs in the prescribed format. In order to ensure compliance with the provisions of GFR-2017, an advisory on submission of UCs is attached herewith.

Yours faithfully

(Bhaskar Dasgupta)
Executive Director (Finance)

Encl: As above

Copy for information to:

1. Deputy Director General, NMCG
2. Executive Director (Projects), NMCG
3. Executive Director (Technical), NMCG
4. Executive Director (Administration), NMCG
5. Advisor, NMCG
6. Senior Consultant (Shri Brijesh Sikka), NMCG
7. PS to DG

Advisory for submission of Utilization Certificates

(i) SMCGs and other Grantees are required to submit Utilization Certificates quarterly in **Form 12 A** of the **General Financial Rules, 2017**. Form 19 A of GFR 2005 is not the correct form for submission of UCs, as GFR 2005 have been superseded by GFR 2017. **This needs to be read with Rules 238(1) and (2) of GFR. 2017.**

(ii) GFR 2017 is available on the website of the D/o Expenditure (**https://doe.gov.in/sites/default/files/GFR2017_0.pdf**). **A copy of Form 12 A is also attached.**

(iii) The UC is required to be signed by **both Head of the Organization and Chief Finance Officer.**

(iv) Utilization of funds is required to be reported project-wise and activity-wise, along with outcomes achieved. A format for this purpose, **which is to be attached to the UC in Form 12 A,** was circulated vide DO dated 10.10.2022 (enclosed for ready reference). This is also available on the website of the NMCG.

(v) In case of release of grants by National Mission for Clean Ganga to a **State Government, Rule 239 of GFR, 2017 is applicable.** State Governments are required to submit Utilization Certificate in Form 12 C. **A copy of Form 12 C is also attached.**

*****

authority, not being a foreign State or international Body/Organization, the Comptroller and Auditor General is competent under Section 15 (1) of the CAG's (DPC) Act, 1971, to scrutinize the procedures by which the sanctioning authority satisfies itself as to the fulfillment of the conditions subject to which such Grants and/or loans were given and shall, for this purpose, have right of access to the books and accounts of that Institute or Organisation or authority.

Rule 236 (3) In all other cases, the Institution or Organisation shall get its accounts audited from Chartered Accountants of its own choice.

Rule 236 (4) Where the Comptroller and Auditor General of India is the sole auditor for a local Body or Institution, auditing charges will be payable by the auditee Institution in full unless specifically waived by Government

Rule 237 **Time Schedule for submission of annual accounts.** The dates prescribed for submission of the annual accounts for Audit leading to the issue of Audit Certificate by the Comptroller and Auditor General of India and for submission of annual report and audited accounts to the nodal Ministry for timely submission to the Parliament are listed below:-

(I) Approved and authenticated annual accounts to be made available by the Autonomous Body to the concerned Audit Office and commencement of audit of annual accounts-30th June

(ii) Issue of the final SAR in English version with audit certificate to Autonomous Body/ Government concerned -31st October

(iii) Submission of the Annual Report and Audited Accounts to the Nodal for it to be laid on the Table of the Parliament -31st December

Rule 238 (1) Utilization Certificates. In respect of non-recurring Grants to an Institution or Organisation, a certificate of actual utilization of the Grants received for the purpose for which it was sanctioned in Form GFR 12-A, should be insisted upon in the order sanctioning the Grants-in-aid. The Utilization Certificate in respect of Grants referred to in Rule230 (10) should also disclose whether the specified, quantified and qualitative targets that should have been reached against the amount utilised, were in fact reached, and if not, the reasons therefor. They should contain an output based performance assessment instead of input based performance assessment. The Utilization Certificate should be submitted within twelve months of the closure of the financial year by the Institution or Organisation concerned. Receipt of such certificate shall be scrutinised by the Ministry or Department concerned. Where such certificate is not received from the Grantee within the prescribed time, the Ministry or Department will be at liberty to blacklist such Institution or Organisation from any future grant, subsidy or other type of financial support from the Government.

Rule 238 (2) In respect of recurring Grants, Ministry or Department concerned should release any amount sanctioned for the subsequent financial year only after Utilization Certificate in respect of Grants of preceding financial year is submitted. Release of Grants-in-aid in excess of seventy five per cent of the total amount sanctioned for the subsequent financial year shall be done only after utilisation certificate and the annual audited statement relating to Grants-in-aid released in the preceding year are submitted to the satisfaction of the Ministry/Department concerned. Reports submitted by the Internal Audit parties of the Ministry or Department and Inspection Reports received from Indian Audit and Accounts Department and the performance reports if any received for the third and fourth quarter in the year should also be looked into while sanctioning further Grants.

Rule 238 (3) Utilization certificates need not be furnished in cases where the Grants -in –aid / CFA are being made as reimbursement of expenditure already incurred on the basis of duly audited accounts. In such cases the sanction letters should specify clearly that the Utilization Certificates will not be necessary.

Rule 238 (4) In respect of Central Autonomous Organisations, the Utilization Certificate shall disclose separately the annual expenditure incurred and the funds given to suppliers of stores and assets, to construction agencies, to staff for (House

GFR 12 – A

[(See Rule 238 (1)]

FORM OF UTILIZATION CERTIFICATE FOR AUTONOMOUS BODIES OF THE GRANTEE ORGANIZATION

UTILIZATION CERTIFICATE FOR THE YEAR..... in respect of recurring/non-recurring GRANTS-IN-AID/SALARIES/CREATION OF CAPITAL ASSETS

1. Name of the Scheme.....
2. Whether recurring or non-recurring grants.....
3. Grants position at the beginning of the Financial year
   (i) Cash in Hand/Bank
   (ii) Unadjusted advances
   (iii) Total
4. Details of grants received, expenditure incurred and closing balances: (Actuals)

Unspent Balances of Grants received years [figure as at Sl. No. 3 (iii)]	Interest Earned thereon	Interest deposited back to the Govern-ment	Grant received during the year			Total Available funds (1+2-3+4)	Expenditure incurred	Closing Balances (5-6)
1	2	3	4			5	6	7
			Sanction No. (i)	Date (ii)	Amount (iii)			

Component wise utilization of grants:

Grant-in-aid–General	Grant-in-aid–Salary	Grant-in-aid–creation of capital assets	Total

Details of grants position at the end of the year

(i) Cash in Hand/Bank

(ii) Unadjusted Advances

(iii) Total

FORM GFR 12A

Certified that I have satisfied myself that the conditions on which grants were sanctioned have been duly fulfilled/are being fulfilled and that I have exercised following checks to see that the money has been actually utilized for the purpose for which it was sanctioned:

(i) The main accounts and other subsidiary accounts and registers (including assets registers) are maintained as prescribed in the relevant Act/Rules/Standing instructions (mention the Act/Rules) and have been duly audited by designated auditors. The figures depicted above tally with the audited figures mentioned in financial statements/accounts.

(ii) There exist internal controls for safeguarding public funds/assets, watching outcomes and achievements of physical targets against the financial inputs, ensuring quality in asset creation etc. & the periodic evaluation of internal controls is exercised to ensure their effectiveness.

(iii) To the best of our knowledge and belief, no transactions have been entered that are in violation of relevant Act/Rules/standing instructions and scheme guidelines.

(iv) The responsibilities among the key functionaries for execution of the scheme have been assigned in clear terms and are not general in nature.

(v) The benefits were extended to the intended beneficiaries and only such areas/districts were covered where the scheme was intended to operate.

(vi) The expenditure on various components of the scheme was in the proportions authorized as per the scheme guidelines and terms and conditions of the grants-in-aid.

(vii) It has been ensured that the physical and financial performance under..... (name of the scheme has been according to the requirements, as prescribed in the guidelines issued by Govt. of India and the performance/targets achieved statement for the year to which the utilization of the fund resulted in outcomes given at Annexure – I duly enclosed.

(viii) The utilization of the fund resulted in outcomes given at Annexure – II duly enclosed (to be formulated by the Ministry/Department concerned as per their requirements/specifications.)

(ix) Details of various schemes executed by the agency through grants-in-aid received from the same Ministry or from other Ministries is enclosed at Annexure –II (to be formulated by the Ministry/Department concerned as per their requirements/specifications).

Date:

Place:

Signature

Name.....

Chief Finance Officer

(Head of the Finance)

Signature

Name.....

Head of the Organisation

(Strike out inapplicable terms)

भास्कर दाशगुप्ता
कार्यकारी निदेशक (वित्त)
राष्ट्रीय स्वच्छ गंगा मिशन
Bhaskar Dasgupta
EXECUTIVE DIRECTOR (FINANCE)
NATIONAL MISSION FOR CLEAN GANGA

सत्यमेव जयते

भारत सरकार
जल शक्ति मंत्रालय
जल संसाधन,
नदी विकास और गंगा संरक्षण विभाग
GOVERNMENT OF INDIA
MINISTRY OF JAL SHAKTI
DEPARTMENT OF WATER RESOURCES,
RIVER DEVELOPMENT & GANGA REJUVENATION

DO No. FN-18011/1/2022/ ED (F)/NMCG October, 10, 2022

Dear Sir/Madam,

At present, the quarterly Utilization Certificates submitted by State Missions for Clean Ganga (SMCGs) certify only the total amount spent out of the Grants-in-aid received from the NMCG. However, the General Financial Rules (GFR 2017) stipulate that Utilization Certificate should also capture outcomes achieved through utilization of funds. Besides, from the Consolidated Certificate, it is not possible to track project-wise expenditure by SMCGs.

2. This issue was also discussed during the Audit Review Committee/ Budget Review Committee meeting held on 12th July, 2022 and it was decided that the Utilization Certificate henceforth will also reflect project-wise utilization and outcomes achieved.

3. A format has been devised to enable the NMCG to report project/activity-wise expenditure along with the outcome (enclosed). This format may be annexed to the Utilization Certificates furnished by SMCGs in GFR 12-A. The new system of reporting will be effective from the 2nd quarter of FY 2022-23.

With regards,

Yours sincerely,

(Bhaskar Dasgupta)

Encl: As above

To
Project Directors of SMCG Uttrakhand, Uttar Pradesh, Bihar, Jharkhand and West Bengal.

Copy for information :

i) PS to DG, NMCG/ ED (Admn)/ ED (Technical) / ED (Projects)
ii) Director (Finance) / Finance Heads of SMCGs of Uttrakhand, Uttar Pradesh, Bihar, Jharkhand and West Bengal.

Project-wise expenditure and physical progress to be attached by SMCGS with Utilization Certificate in Form GFR 12 A

1. Projects under Construction

Sl. No.	Project	Expenditure incurred (Rs. in crore)	Outcome/ Physical & financial progress
			(i) Physical progress (see Note below) (ii) Financial progress (see Note below) (iii) Total expenditure for the project till date (iv) Expected date of Project Commissioning/ completion (v) Outcome achieved (in brief)
Total Expenses			

Note: If 50 percent of a Project has been completed and 45 percent of capex has been expended, then physical progress would be 50 percent and financial progress would be 45 percent. A separate project-wise statement indicating outcomes achieved may be attached, if required.

2. Projects under O&M

Sl. No.	Project	Expenditure incurred (Rs. in crore)	Details
			(i) O&M start date (ii) O&M close date (iii) Break-up of O&M Cost
Total Expenses			

3. Administrative/ Miscellaneous expenses

Head/ Activities	Expenditure incurred (Rs. in lakh)	Details
Salaries/monthly remuneration		No. of staff with pay-scale (a statement may be attached, if required)
Accommodation		Rent per month
Vehicles		Allotment of vehicles to consultants/officers & usages of vehicles
TA/DA		Monthly TA/DA to officials/ consultants of SPMG (a statement may be attached, if required)
Stores (Procurement)		
Any advance given to consultants/officials & its final settlement		
Communication/ outreach activities		(i) Brief description of events/ activities undertaken (ii) Deliverables/ Anticipated benefits
Any other expenses (to be specified)		
Total Expenses		

(Rs. in crore)

Grand total of Expenditure incurred (1+2+3)	

(To be signed by the Chief Finance Officer and Head of the Organization, as specified on Form GFR 12-A)

Building and Purchase of conveyance) which do not constitute expenditure at that stage but have been met out of Grants and are pending adjustments. These shall be treated as unutilized Grants allowed to be carried forward. While recording the Grants in the subsequent year the amount carried forward shall be taken into account.

Rule 238 **(5)** In the case of Private and Voluntary Organizations receiving recurring Grants-in-aid from Rupees ten lakhs to less than Rupees fifty lakhs, all the Ministries or Departments of Government of India should include in their Annual Report a statement showing the quantum of funds provided to each of those organizations and the purpose for which they were utilized, for the information of Parliament. The Annual Reports and accounts of Private and Voluntary Organizations receiving recurring Grants-in-aid to the tune of Rupees fifty lakhs and above should be laid on the Table of the House within nine months of the close of the succeeding financial year of the Grantee Organisations.

Rule 238 **(6)** In the case of organizations receiving one-time assistance or non recurring Grants as Grants-in-aid from Rupees ten lakhs to Rupees fifty lakhs, all Ministries or Departments of Government of India should include in their Annual Reports, statements showing the quantum of funds provided to each of these organizations and the purpose for which the funds were utilized, for the information of Parliament. The Annual Reports and Audited Accounts of Private and Voluntary Organizations or societies registered under the Registration of Societies Act, 1860, receiving one-time assistance/non-recurring Grants of Rupees fifty lakhs and above should also be laid on the Table of the House, within nine months of the close of the succeeding financial year of the grantee Organisations.

Rule 239 **State Government to submit Utilization Certificate for Grants-in-aid relating to Scheme.** When Central Grants are given to State Governments for implementation of Central Scheme, Utilization Certificate in format GFR 12-C may be submitted by the State Government in respect of the Scheme. The UC should be counter-signed by the Administrative Secretary of the Division regulating the Scheme/Finance Secretary.

Rule 240 **State Government to submit Utilization Certificate when expenditure incurred through local bodies.** When Central Grants are given to State Governments for expenditure to be incurred by them through local bodies or private institutions, the Utilization Certificates should be furnished by the State Government concerned.

Rule 241 **Utilisation Certificate in case of Direct Benefit Transfer (DBT) Scheme.** In case of the schemes covered under Direct Benefit Transfers (DBT), where the fund flow is directly from the Central Government to the beneficiaries, the intimation from the bank/National Payments Corporation of India (Aadhaar Payment Bridge) regarding deposit of the funds in the beneficiaries' bank accounts, generated as per procedure prescribed by the Controller General of Accounts, may be treated as a Utilization Certificate. The Ministry/Department releasing the Grant should keep proper record and accounts relating to such direct releases under DBT to the beneficiaries bank accounts.

Rule 242 **(1) Performance parameters.** Performance parameters should be clearly set to allow better oversight of the Autonomous Body.

Rule 242 **(2) Submission of Achievement-cum-Performance Reports.**

i. The Grantee Institutions or Organisations should be required to submit performance cum achievement reports soon after the end of the financial year, and in any case, not later than six months after the close of the financial year.

ii. In regard to non-recurring Grants such as those meant for celebration of anniversaries, conduct of special tours and maintenance Grants for education, performance-cum-achievement reports need not be obtained.

iii. In the case of recurring Grants, submission of achievement-cum-performance reports should usually be insisted upon in all cases. However, in the case of Grants-in-aid not

GFR 12 – C

[(See Rule 239)]

FORM OF UTILIZATION CERTIFICATE (FOR STATE GOVERNMENTS)
(Where expenditure incurred by Govt. bodies only)

Sl. No.	Letter No. and date	Amount	Certified that out of Rs.....Of grants sanctioned during the year.....in favour of .....under the Ministry/Department Letter No. given in the margin and Rs.....on account of unspent balance of the previous year, a sum of Rs.....has been utilized for the propose of .....for which it was sanctioned and that the balance of Rs.....remaining unutilized at the end of the year has been surrendered to Government (vide No. .....dated.....)/will be adjusted towards the grants payable during the next year.....
	Total		

2. Certified that I have satisfied myself that the conditions on which the grants-in-aid was sanctioned have been duly fulfilled/ are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the propose for which it was sanctioned.

Kinds of checks exercised

1.
2.
3.
4.
5.

Signature.....
Designation.....
Date.....

PS: The UC shall disclose separately the actual expenditure incurred and loans and advances given to suppliers of stores and assets, to construction agencies and like in accordance with scheme guidelines and in furtherance to the scheme objectives, which do not constitute expenditure at the stage. These shall be treated as utilized grants but allowed to be carried forward.