

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:- 20 November 2024

To

- (i) The State Forest Department of Uttarakhand, Uttar Pradesh, Bihar, Jharkhand & West Bengal

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 17.05.2024. However, the UCs furnished by the grantee organizations are still deficient at times. The guidelines have been elaborated keeping in view the Afforestation Programme of the State Forest Departments. The updated guidelines for preparation of UCs are **attached** herewith.

3. All the State Forest Departments 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

Copy to:

- (i) Executive Director (Admin) – with the request for necessary follow up with the SFDs.
(ii) Sandeep Behera, Consultant (Biodiversity)
(iii) Sunil Kumar (Environmental Engineer)
(iv) PS to DG, NMCG

Guidelines for preparation of Utilization Certificates for State Forest Departments

Updated as on 20.11.2024

- (i) The State Forest Departments being departments of State Governments, are required to submit Utilization **Certificates quarterly in Form 12C of the General Financial Rules, 2017**. Submission of UCs in any other Form is not acceptable. **This needs to be read with Rules 238 (2) and 239 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 C and GFR 239 are also attached. (Annexure I)**
- (iii) As per GFR 239, UCs are required to be **counter-signed by the Administrative Secretary of the Division regulating the Scheme/Finance Secretary. All UCs therefore should be signed by the Administrative Secretary of the Department or equivalent officer.**
- (iv) It is observed that some of the SFDs are submitting digitally signed UCs. Since UCs are important instrument of financial control, and are scrutinized by the C&AG during Audit of NMCG's Annual Accounts, they should continue to be ink signed. Name of signatory and designation may also be indicated. **All pages of the document should also be signed and stamped.**
- (v) In the format given in GFR 12C, there is a provision (after point no 2 of the GFR 12C) to indicate the documents based on which the utilization certificate has been verified. Therefore, a list of the checks exercised in preparation of the UC should be mentioned in the relevant place.
- (vi) Along with the UC, SFDs are advised to submit the following:
 - a) **Project-wise and/or activity-wise reporting of Utilization of funds.**
 - b) As per Rule 242 (2), the Grantee Institutions are 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. Public Accounts Committee of the Parliament has also advised that evidence of effective and proper utilization of Funds should be submitted along with UCs. **Therefore, SFDs are requested to submit an "Outcome achieved" report along with the UCs.**
 - c) **An indicative format for reporting details in respect of (a) and (b) above is attached as Annexure II.** The format may be modified suitably by the SFDs to furnish the requisite information.
 - d) **The opening balance of unspent grant should be disclosed in a separate annexure (Annexure III).** This opening balance should be matching with the closing balance of the previous UC. The closing balance is the balance of grant remaining unspent during the previous period and not the previous APO.

- (vii) It is observed that the UCs are submitted Annual Plan of Operation (APO)-wise. **It is requested that UCs should be aligned to the financial year.**

- (viii) It may also be noted that 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). **The grantees are advised to report the aggregate closing balance (bank balance plus unadjusted advance). The break-up of “cash in hand” and “unadjusted advance” may also be provided.** A format for reporting the above is at **Annexure III.**

- (ix) 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.

- (x) 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].





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 ofunder 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 offor 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.

- 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 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 five crore, 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 Five Crore 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. [Note: Increase in monetary ceiling in laying of Annual Reports and Audited Accounts of various organisations receiving funds from Govt. of India]⁵⁶.
- 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-

⁵⁶ Inserted vide DoE OM No. F.No.8(5)/2020-E.IIA dated 09.10.2020

Annexure II

Format for Reporting Project/Activity wise Financial and Physical Progress/ Outcomes Achieved

Sanction Number & Date:

Annual Plan of Operation for: (Year to be indicated)

A. New Plantation

S. No.	Component/Activity	No. of Plants	Area Covered (In Hectare)	Expenditure (In Rs. Lakh)
1.	Natural Landscape			
2.	Agriculture Landscape			
3.	Urban and Peri-Urban Landscape			
	Any Other (Pls. Specify)			
Total Expenditure				

B. Plantation Maintenance

S. No.	Component/Activity	Maintenance Year I			Maintenance Year II			Maintenance Year III			Maintenance Year IV		
		Establishment Year :			Establishment Year :			Establishment Year :			Establishment Year :		
		Area (in Ha)	Survival Rate (%)	Expense (in Rs. Lakh)	Area (in Ha)	Survival Rate (%)	Expense (in Rs. Lakh)	Area (in Ha)	Survival Rate (%)	Expense (in Rs. Lakh)	Area (in Ha)	Survival Rate (%)	Expense (in Rs. Lakh)
1.	Natural Landscape												
2.	Agriculture Landscape												
3.	Urban and Peri-Urban Landscape												
	Any Other (Pls. Specify)												
Total Expenditure													

Note 1: The above format is only indicative and may be modified suitably by the SFDs to furnish the requisite information.

Note 2: Additional documents/ reports etc. may be enclosed by the SFDs, if necessary.

Annexure III

Format for Reporting Balance of Funds at the Opening and Closing of the Period

<u>S. No.</u>	<u>Details</u>	<u>Amount in Rs.</u>
1.	Unspent Balances of Grants received at the beginning of the years/period *	
2.	Add : Interest Earned on the opening balance	
3.	Less : Interest refunded to the NMCG/GOI	
4.	Add: Grant received during the year\Period	
5.	Total Available Funds (1+2- 3+4)	
6.	Expenditure incurred during the year/ period	
7.	Closing Balances at the end of the period/year (5-6) ** is aggregate of the following: (a) Cash Balance and (b) Bank Balance and (c) Unadjusted Advance	

- a) **Note:** * The opening balance should be matching with the closing balance of the previous UC. The closing balance is the balance of grant remaining unspent during the previous period and not the previous APO.
- b) ** 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). The grantees are advised to report the aggregate closing balance (bank balance plus unadjusted advance). The break-up of “cash in hand” and “unadjusted advance” may also be provided.