

फ़ाइल संख्या /G-25/1/2023-एनएमसीजी (सी आफ स.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-110001

दिनांक:- 24 अक्टूबर 2024

To

The Nodal Officer,
Engineers India Limited/NBCC (India) Limited/National Projects Construction Corporation Limited/
Engineering Projects (India) Limited/WAPCOS Limited.

Subject: Advisory for submission of Utilization Certificates by Central Public Sector Enterprises (CPSEs)

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

2. NMCG has issued several Advisories/ Guidance Note in recent past to improve financial oversight, as well as to ensure preparation and submission of the UCs as per the GFR mandated procedure. However, the UCs furnished by the CPSEs are still not always adhering to the guidelines.
3. In order to ensure submission of UCs in the correct format, a "Guidelines for preparation of Utilization Certificates by CPSEs" (updated as on 24.10.2024) is attached. All UCs (in Form 12 A of GFR 2017) must be signed by both Head of the Organization and Chief Finance Officer, and be accompanied with project-wise utilization and outcomes achieved. An indicative format for reporting project-wise utilization is also attached. CPSEs can modify this format depending on nature of activities. The form 12 A and relevant provision of the GFR are also enclosed for ready reference.
4. The earlier instructions of the NMCG, including a Guidance Note issued on 17.05.2024 and an advisory on *Financial aspects of RFD & Ghat Projects* dated 21 August 2023 are available on NMCG website (<https://nmcg.nic.in> → Divisions → Finance → Utilization Certificates).
5. While preparing UCs in future, the attached "Guidelines for preparation of Utilization Certificates by CPSEs" may be fully adhered to. Otherwise, it may not possible to release further grants.

भवदीय



(भास्कर दाशगुप्ता)

कार्यकारी निदेशक (वित्त)

दूरभाष. 011-23049442

E Mail: ed-finance@nmcg.nic.in

Encl: As above

Copy to :

- (i) Executive Director (Projects)/ Director (SMD) – With a request to ensure that UCs submitted by the CPSEs are as per the Advisory
- (ii) PS to DG, NMCG

Guidelines for preparation of Utilization Certificates by CPSEs

Updated as on 21.10.2024

- (i) Grantee Organizations, including CPSEs 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. **A copy of Form 12 A is also attached. This needs to be read with Rules 238 (1) and (2) of GFR. 2017.**
- (ii) GFR 2017 (updated up to 31.07.2024) is available on the website of the NMCG (<https://nmcg.nic.in> → Divisions → Finance → GFR 2017).
- (iii) UCs are required to be signed by **both Head of the Organization and Chief Finance Officer. Name and designation of the officers signing the UCs must be clearly indicated. UCs should be signed on each page.**
- (iv) Utilization of funds is required to be reported **project-wise and activity-wise**, along with outcomes achieved. An indicative format for reporting outcomes is attached. CPSEs may modify the format depending on the nature of the activity reported.
- (v) Utilization of grants-in-aid will have to be reported under the head for which grants were released. **Separate UCs must be submitted for funds received under National Ganga Plan (NGP) through the Treasury Single Account System and under the Clean Ganga Fund (CGF) Heads.**
- (v) Augmentation/ reallocation from one Budget to another is NOT permissible. 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”, or from “CGF” Head to the “NGP” and vice versa). Any augmentation in Grants-in-aid requires approval of the Parliament.
- (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].

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

1. Project 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. Project 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			

**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 Government	Grant received during the year			Total Available funds (1+2-3+4)	Expenditure incurred	Closing Balances (5-6)
			Sanction No. (i)	Date (ii)	Amount (iii)			
1	2	3	4			5	6	7

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



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

Signature

Name.....

Name.....

Chief Finance Officer
(Head of the Finance)

Head of the Organisation

(Strike out inapplicable terms)



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 Rule 230 (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