



राष्ट्रीय स्वच्छ गंगा मिशन National Mission for Clean Ganga

G-25020/3/2020-Budget/NMCG

Dated: 20.12.2023

To

Project Directors of SMCG of Uttarakhand, Uttar Pradesh, Bihar and West Bengal

Subject: Entrustment of Audit of State Missions for Clean Ganga (SMCG) to the State Accountant General (Audit) and certification Audit of World Bank assisted projects under the 'Second National Ganga River Basin Project (SNGRBP)' (Loan No. 9136-IN)

Reference is invited to the DO No. G-25020/3/2020-Budget/NMCG dated 24th August, 2023 from Director General, National Mission for Clean Ganga (NMCG) to the Chief Secretaries of 5 Ganga Basin, and letter of even no. dated 29.09.2023 from Executive Director (Finance), NMCG addressed to the Project Directors on the above subject [Copies enclosed].

2. In this regard, a copy of letter dated 27 April 2023 from the office of Comptroller & Auditor General of India (C&AG) on audit of SNGRBP projects (Loan No. 9136-IN) is forwarded herewith. The said letter was endorsed to the Principal Accountant General (Audit)/Accountant General (Audit) of five Ganga main stem States advising that certification of project accounts may be taken up only when sole audit of SMCGs is also entrusted to the C&AG under Section 20(1) of C&AG's DPC Act, 1971. Further it has been clarified that *'For state level bodies/authorities the State AGs are competent to accept the entrustment proposal without referring to the Headquarters.'*

3. As per the extant procedure, the entrustment request for audit of State Autonomous bodies under Section 20(1) of C&AG's DPC Act, 1971 needs to be submitted by respective State Government after examination by the State Finance Departments.

4. Therefore, it is requested that sole audit of SMCGs may be entrusted by State Governments concerned to respective State Accountant Generals in consultation with State Finance Department so that certification audit of World Bank aided projects under SNGRBP can be taken up the State AGs.

Yours faithfully

(Bhaskar Dasgupta)
Executive Director (Finance)
Telephone: 011-2304 9442
Email: ed-finance@nmcg.nic.in

एन.एम.सी.जी., (जल शक्ति मंत्रालय, जल संसाधन, नदी विकास और गंगा संरक्षण विभाग, भारत सरकार)
प्रथम तल, मेजर ध्यान चन्द नेशनल स्टेडियम, इन्डिया गेट, नई दिल्ली-110002

NMCG, (Ministry of Jal Shakti, Department of Water Resources, River Development & Ganga Rejuvenation, Government of India)
First Floor, Major Dhyhan Chand National Stadium, India Gate, New Delhi-110002

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9, दीन दयाल उपाध्याय मार्ग,
नई दिल्ली-110. 124



OFFICE OF THE COMPTROLLER &
AUDITOR GENERAL OF INDIA
9, DEENDAYAL UPADHYAYA MARG,
NEW DELHI - 110 124

दिनांक / DATE 27.04.2023

To

Shri Rajesh Kumar
Deputy Secretary (Fund Bank),
FB & ADB Division,
Department of Economic Affairs,
Ministry of Finance,
North Block, New Delhi-1100 01.

Sub: Request for the audit of World Bank financed 'Second National Ganga River Basin Project' Loan No.9136-IN

Sir,

Please refer to your letter No. 1/3/2019-FB-III dated March 23, 2023 on the subject cited above. In this regard: -

1. As informed by M/o Finance, that Government of India and International Bank for Reconstruction and Development (IBRD) (World Bank) entered into a Loan agreement on 07 July 2020 and Loan Agreement become effective on 21 July 2020. However, the audit request for this project has been sent by M/o Finance to C&AG office after a long delay i.e. in March 2023. Therefore, M/o Finance may appropriately inform the reasons for this delay to the World Bank, which would impact the audit certification of this project.
2. The document provided by M/o Finance related to details of the Project implementing agency contains only the details of National level implementing agency i.e. National Mission for Clean Ganga. No details related to State level implementing agency were furnished. However, on scrutiny of other project documents it has been noticed that State Mission for Clean Ganga (SMCG) have established in Uttarakhand, Uttar Pradesh, Bihar and West Bengal, to implement this project at State level. In Jharkhand, the project is implemented by the Urban Development and Housing Department of the State Government. M/o Finance is requested to clarify/inform to C&AG office that apart from above agencies, there is no other agency for which certification is required from C&AG.
3. Further, the certification of any Externally Aided Project (EAP) is taken up by C&AG when the implementing agency is within the sole audit jurisdiction of the C&AG. As per the records available in our office, the audit of the National level implementing agency of this project was entrusted to the C&AG under Section 20 (1) of the C&AG's DPC Act 1971, for the period 2012-13 to 2016-17, vide M/o Finance, D/o Economic Affairs (Budget Division) letter dated 01.03.2013 (*copy enclosed*). This entrustment was in view of an earlier World Bank assisted project 'National Ganga River Basin Project' Loan No. 8065-IN. Subsequent, to the above entrustment period, C&AG office has not received any re-entrustment proposal for NMCG. The project accounts certification in respect of NMCG can only be taken up when audit of NMCG is re-entrusted to C&AG.

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4. Our field audit offices have informed that SMCG established in Uttarakhand, Uttar Pradesh, Bihar and West Bengal are not entrusted to them by the concerned State Government. The project accounts certification in respect of SMG(s) can only be taken up when the audit of SMCG(s) are entrusted to C&AG.
5. Therefore, M/o Finance may inform the M/o Jal Shakti to re-entrust the audit of NMCG to the C&AG under Section 20 (1) of the C&AG's DPC Act 1971. Similarly, the M/o Finance may inform the State Government of Uttarakhand, Uttar Pradesh, Bihar and West Bengal, to send the audit entrustment proposal of their SMCG to the concerned AG (Audit) office under Section 20 (1) of the C&AG's DPC Act 1971.
6. In Jharkhand, since the project is implemented by Urban Development and Housing Department. So for Jharkhand component, the department may contact the AG (Audit) Jharkhand to undertake the audit and certify the project accounts as per the procedure applicable to externally assisted projects.
7. M/o Finance is also requested to clarify that whether the World Bank requires the consolidated audit certificate i.e. [Central and all State certificate combined] or individual certificate [separate for Central and State component]

Yours faithfully,
Sd/-
(VIJAY KUMAR)
Sr. Administrative Officer (PPG-EAP)


No.73 -PPG (EAP)/2-2023 dated: 27.04.2023

- 1) Copy to the Accountant General (Audit), Jharkhand, PO Doranda, Ranchi-834 002
AG (Audit) office may undertake the audit and certify project accounts, as per procedure applicable to Externally Assisted Projects. The progress made in audit certification may be intimated through monthly reports.
- 2) Copy to the:
 - a) Director General of Audit (Agriculture, Food and Water Resources), 8-9 Floor, CAG Building (Annexe), 10, Bahadurshah Zaffar Marg, New Delhi-110 002.
 - b) Accountant General (Audit), Mahalekhakar Bhawan, Birchand Patel Marg, R-Block, Bihar, Patna- 800 001
 - c) Principal Accountant General (Audit), Mahalekhakar Bhawan, Kaulagarh, Uttarakhand, Dehradun-248 195
 - d) Accountant General (Audit-II), CGO Complex, 5th Floor, DF Block, Salt Lake, Sector-I, West Bengal, Kolkata-700 064.
 - e) Principal Accountant General(Audit-I), Satyanishtha Bhavan, 15-A, Dayanand Marg, Uttar Pradesh, Prayagraj - 211 001

They may undertake the certification of project accounts only when sole audit of NMCG/SMCG, which are registered as Societies is entrusted to the C&AG under Section 20 (1) of the C&AG's DPC Act 1971. For state level bodies/authorities the State AGs are competent to accept the entrustment proposal without referring to Headquarters.

3) Copy for information to:

- a) Sr. Administrative Officer (Coordination), Report Central wing.
- b) Sr. Administrative Officer (Coordination), Eastern Region wing.
- c) Sr. Administrative Officer (Coordination), North Central Region wing.

27/04/23 

Sr. Administrative Officer (PPG-EAP)



जी अशोक कुमार, भा.प्र.से.
महानिदेशक
राष्ट्रीय स्वच्छ गंगा मिशन
G Asok Kumar, IAS
DIRECTOR GENERAL
NATIONAL MISSION FOR CLEAN GANGA



सत्यमेव जयते



आजादी का
अमृत महोत्सव

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

D O No. : G-25020/3/2020- Budget/NMCG

Dated: 24th August, 2023

Dear Sir,

The World Bank is supporting the "Namami Gange Programme" under the Second National Ganga River Basin Project (SNGRBP). The financing agreement for an IBRD loan of US\$ 400 million (IBRD 9136-IN) was signed on 7 July, 2020, and disbursements under this loan have commenced from June, 2022.

2. In the 5 Ganga main stem States, projects under the Namami Gange Programme are implemented by the State Missions for Clean Ganga (SMCGs). The Financial Reporting and Audit system for SNGRBP requires annual audit of project related financial statements. Project Appraisal Document for SNGRBP, inter alia, states,

"Annual External audits of NMCG and SMCGs will be conducted by the Comptroller and Auditor General (C&AG) and State Auditor General (AG) respectively under Special Terms of Reference agreed between the C&AG, DEA and the Bank for audit of Bank-financial projects. Pursuant to the World Bank Policy on access to Information, the Bank will require that the NMCG disclose the audited financial statements on the Project website."

3. Accordingly a proposal was sent to Department of Economic Affairs (DEA) requesting them to entrust audit of SNGRBP to the C&AG. DEA has been informed by the C&AG that audit of World Bank assisted projects would be possible only if the audit of SMCGs is also entrusted to the State Accountant General.

4. Therefore, I would request you to entrust audit of State Mission for Clean Ganga to the State Accountant General (Audit) under section 20 (1) of the C&AG's DPC Act 1971 so that certification audit of Bank assisted projects may also be undertaken by the C&AG.

With regards,

Your sincerely,

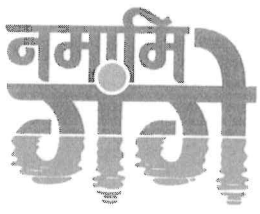
(G. Asok Kumar)

Shri Sukhdeo Singh, I.A.S
Chief Secretary,
Government of Jharkhand
Secretariat, Ranchi-834004.



राष्ट्रीय स्वच्छ गंगा मिशन
प्रथम तल, मेजर ध्यान चंद नेशनल स्टेडियम, इन्दिया गेट, नई दिल्ली-110002
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राष्ट्रीय स्वच्छ गंगा मिशन
National Mission for Clean Ganga

File No.G-25020/3/2020-Budget/NMCG

New Delhi
29 September 2023

To

The Project Directors of SMCGs of Uttar Pradesh, Bihar and Jharkhand

Subject: Entrustment of Audit of State Missions for Clean Ganga (SMCG) to the State Accountant General (Audit)

Attention is invited to the DO No.G-25020/3/2020-Budget/NMCG dated 24th August, 2023 from the Director General, National Mission for Clean Ganga (NMCG) addressed to the Chief Secretaries of 5 Ganga Basin States on the above [copy enclosed].

2. The financing agreement for the Second National Ganga River Basin Project (SNGRBP) requires annual audit of project-related financial statements of NMCG and SMCGs by the Comptroller and Auditor General (C&AG) and State Accountant General (AG) respectively. When audit entrustment of SNGRBP was proposed by the Department of Economic Affairs, C&AG informed that Audit of SNGRBP projects would be possible only if the audit of SMCG concerned is also entrusted to the State Principal Accountant General.

3. It may be mentioned that Audit report for SNGRBP projects for FY 2022-23 is required to be submitted to the World Bank by December 2023. Failure to do so may result in suspension of disbursement.

4. In view of the above, it is requested to entrust audit of the SMCG in your state to the Comptroller and Auditor General of India at the earliest, so that both the Annual Accounts of SMCG and the accounts of SNGRBP Projects can be audited by the Principal Account General of the State.

Encl: As above

Yours faithfully,

(Bhaskar Dasgupta)

एन.एम.सी.जी., (जल शक्ति मंत्रालय, जल संसाधन, नदी विकास और गंगा संरक्षण विभाग, भारत सरकार)

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