

File No. FN-11011/1/2021-BUDGET NMCG- (CF No. 267276)
Government of India
Ministry of Jal Shakti
National Mission for Clean Ganga
(An Authority under Department of Water Resources, River Development & Ganga
Rejuvenation)

First Floor, Major Dhyan Chand National Stadium,
India Gate, New Delhi-110001
Date: 29 May 2024

To

1. Project Directors of State Missions for Clean Ganga of Uttarakhand, Uttar Pradesh, Bihar, Jharkhand and West Bengal
2. Heads/ Project in-charge of Organizations receiving grants-in-aid from the NMCG (as per attached list)

Subject: Extension of the Treasury Single Account (TSA) System to Sub-Agencies at third level and below

Sir/ Madam,

The National Mission for Clean Ganga (NMCG) and 5 State Missions for Clean Ganga (SMCGs) transitioned to the Treasury Single Account (TSA) System in FY 2021-22 for the purpose of fund flow under the Namami Gange Programme. All other Agencies receiving grants-in-aid from the NMCG have since been brought on-board TSA. Fund flow under the Namami Gange Programme is now fully governed by the Model 1 of TSA Module.

2. TSA was initially applicable up to two levels. However, the architecture of Namami Gange Programme often involves three or more levels. At present release of funds to the third level agencies is being done on reimbursement basis as per bills submitted by such agencies.

3. Department of Expenditure (DoE) vide OM No. 3/(06)/PFMS/2023 dated 21 May, 2024 has issued guidelines, inter alia, for a Hybrid TSA system to facilitate on-boarding of Government sub-agencies at third level or below, as well as for on-boarding of private sub-agencies at second level (Model 1-A). A copy of the said OM is enclosed herewith (**Annex – A**). The said OM is also available on NMCG web-site (<https://nmcg.nic.in> → Divisions → Finance → TSA).

4. Model 1-A of TSA have been detailed in Para 27 to 37 of the DoE OM dated 21 May 2024. The implications for the NMCG and grantee organizations are discussed below:

- I. For the Namami Gange Programme, the NMCG will be the Central Nodal Agency (CNA). 2nd level Government agencies such as SMCGs, CPCB, State Forest Departments etc. will be designated as Government Sub-Agencies (SAs). A list of current Government SAs for Namami Gange programme is at **Annex –B**.
- II. NMCG and 2nd level Government SAs are already having open assignment accounts in RBI and will be given assignments as per the procedure already being followed under Model 1 of the TSA.
- III. NMCG will function as 'Funding Agencies' to provide funds to Private SAs at second level. Similarly, Government SAs at second level will be 'Funding Agencies' for Government/Private SAs at third level.
- IV. The Private SAs at second level and Government/Private SAs at third level will be referred to as Recipient SAs. A list of current private SAs for Namami Gange programme is at **Annex –C**.
- V. The Executing Agencies below SMCG, such as UP Jal Nigam, BUIDCO, KMDA etc. are examples of recipient Government SAs at third level. If second level Government SAs such as CPCB, State Forest Departments etc. release grants to their regional offices, they should also be designated as third level SAs. District Ganga Committees (DGCs) receiving funds from SMCGs should also be treated as third level SAs.
- VI. Each Recipient SA will open a savings bank account in a scheduled commercial bank.
- VII. If there are SAs below the Recipient SA, they will open a Zero Balance Subsidiary Account (ZBSA) in the bank of the Recipient SA. If Government SAs at third level (such as UP Jal Nigam) releases funds to their regional/ Zonal offices, the said offices should be designated as fourth level SA, and will be required to open ZBSA.
- VIII. If Recipient SAs and SAs below it already have bank accounts as per para VI above, the same bank accounts may be used & there is no need to open new accounts subject to the condition that funds in the existing bank

accounts shall be deposited in Consolidated Fund of India before onboarding.

- IX. The network of NMCG and various types of SAs is explained in the illustrations given in **Annex D** and **Annex E**.

5. NMCG and Government SAs listed in **Annex B** having an account in RBI will incur expenditure directly from their RBI accounts as per the existing procedure in Model I. The procedure for incurring expenditure by Recipient SAs and SAs below from their accounts in scheduled commercial banks is described below.

- I. The bank account of recipient SA will be assigned a drawing limit by its concerned Funding Agency (NMCG or Government SA at level 2). Similarly, ZBSAs will be assigned a drawing limit by the agency immediately up the ladder. The available drawing limit will get reduced by the extent of utilization.
- II. When a Recipient SA/other SA down its ladder has to make payment to vendors / beneficiaries under the scheme, the SA concerned will prepare (i) a payment file in PFMS containing details of the beneficiaries and vendors to whom the payment is to be made and (ii) a demand file containing amount of funds needed to make the payments as per the payment file.
- III. The amount claimed in the demand file shall not exceed the drawing limits assigned to that SA.
- IV. While the payment file will be retained by the respective SA, the demand files generated by the Recipient SA and SAs below it shall be consolidated daily in PFMS. The consolidated demand file will be sent to the concerned Funding Agency.
- V. The demand received by the Funding Agency in PFMS till the cut-off time of 3 PM on a working day will be processed and sanction for the amount demanded will be generated on the same working day. Sanction for the consolidated demand received beyond the cut-off time of 3 PM will be generated on the next working day.
- VI. The sanction will be sent to RBI for debiting the assignment account in RBI of the concerned Funding Agency and crediting the sanctioned amount in the bank account of the Recipient SA concerned.
- VII. Immediately on receipt of funds, the Recipient SA will disburse them to vendors/beneficiaries through its bank account or through ZBSA accounts as per the payment files generated by respective SAs.

VIII. The funds shall not be retained in any commercial bank account of Recipient SA for more than 2 working days. Interest accrued in the commercial bank accounts shall be deposited in Consolidated Fund of India as per provisions of GFR.

IX. Provision in respect of transactions like payment of TDS, Income Tax and GST etc. shall be the same as in Model I.

X. CNA and SAs shall not open/operate/park funds in any other bank account except the bank accounts opened/operated as per these guidelines.

5. The new model involves major changes in fund flow mechanism and requires considerable preparatory work. NMCG will organize training sessions to explain the modalities of implementation of Model 1-A on PFMS.

6. In the meantime, the new guidelines may be disseminated to all concerned (Finance Teams of your organization, as well as to SAs below) so that extension of TSA to third level SAs and below may be completed at the earliest.

Yours faithfully,



(Bhaskar Dasgupta)

Executive Director (Finance)

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Encl: As above

Copy for necessary action to:

1. Finance Heads/ Finance Directors of State Missions for Clean Ganga of Uttarakhand, Uttar Pradesh, Bihar, Jharkhand and West Bengal
2. Finance Heads of Organizations receiving grants-in-aid from the NMCG (as per attached list)

Copy for information to:

1. PS to DG-NMCG.
2. DDG/ ED(P)/ ED(T)/ ED(A)/ Adviser (JG)/ Sr. Consultant (BS)
3. Joint Secretary & Financial Adviser, Department of Water Resources, River Development & Ganga Rejuvenation.
4. Controller of Accounts, Department of Water Resources, River Development & Ganga Rejuvenation.

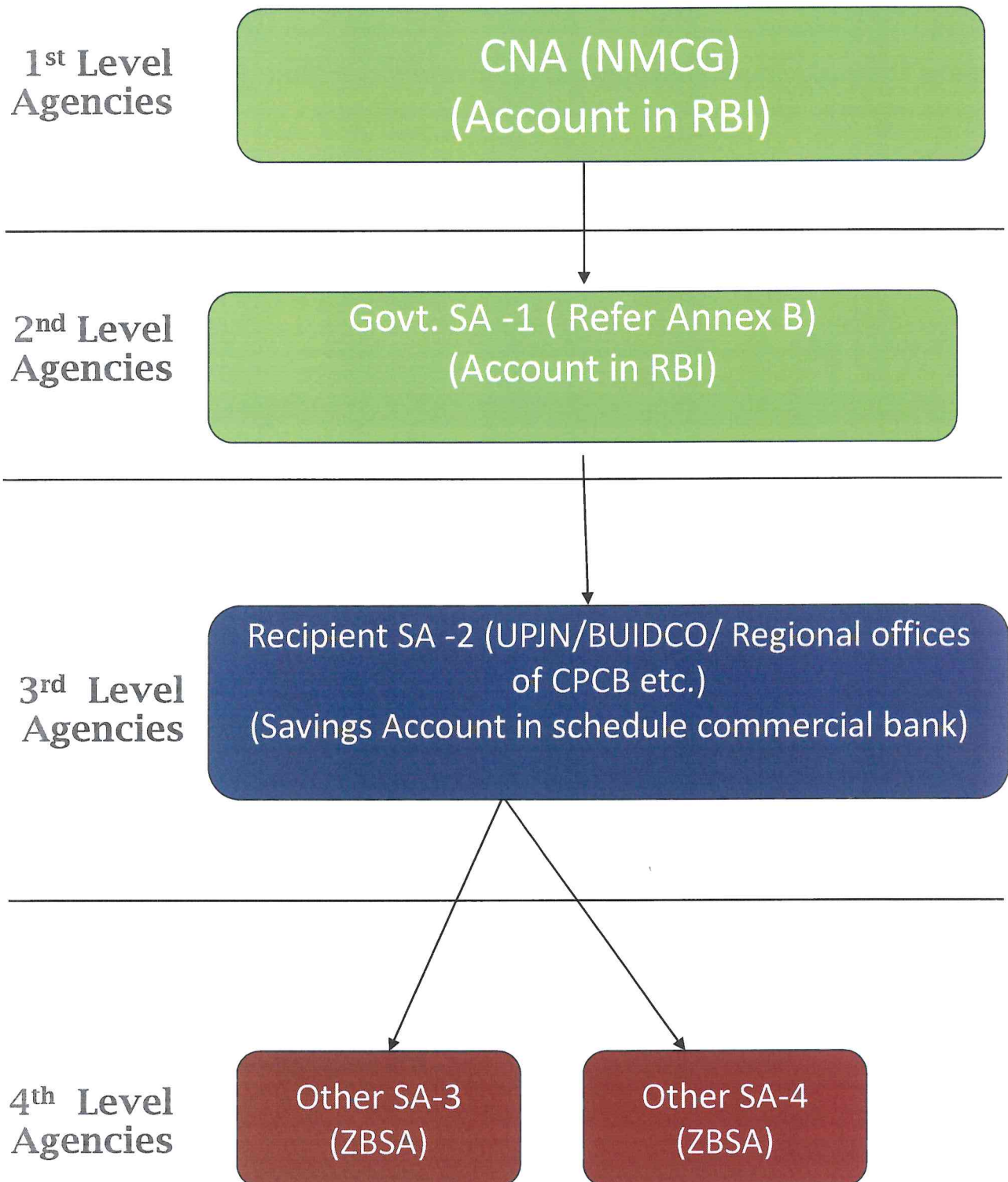
List of Government Agencies

S.No.	Agency Name
1.	State Mission for Clean Ganga, Uttarakhand
2.	State Mission for Clean Ganga, Uttar Pradesh
3.	State Mission for Clean Ganga, Bihar
4.	State Mission for Clean Ganga, Jharkhand
5.	State Mission for Clean Ganga, West Bengal
6.	State Forest Department, Uttarakhand (SFD, UK)
7.	State Forest Department, Uttar Pradesh (SFD, UP)
8.	State Forest Department, Bihar (SFD, Bihar)
9.	State Forest Department, Jharkhand
10.	State Forest Department, West Bengal (SFD,W. Bengal)
11.	Delhi Jal Board
12.	Central Pollution Control Board
13.	Central Inland Fisheries Research Institute
14.	Wildlife Institute of India
15.	Engineers India Limited (EIL)
16.	WAPCOS Limited
17.	Engineering Projects (India) Limited
18.	Indian Institute of Technology, Roorkee
19.	Centre for Ganga River Basin Management & Studies (C-Ganga) (I.I.T., Kanpur)
20.	Water and Land Management Training and Research Institute (WALAMTARI)
21.	Jamia Millia University
22.	Ayodhya Development Authority
23.	National Institute of Urban Affairs
24.	Survey of India
25.	NABARD Consultancy Services Pvt. Ltd.
26.	NBCC (India) Limited
27.	Jal Shakti Department, Government of Himachal Pradesh
28.	Water Resources Department, Madhya Pradesh
29.	Directorate of Urban Administration & Development, Madhya Pradesh
30.	Indian Institute of Public Administration

List of Private Sub-Agencies

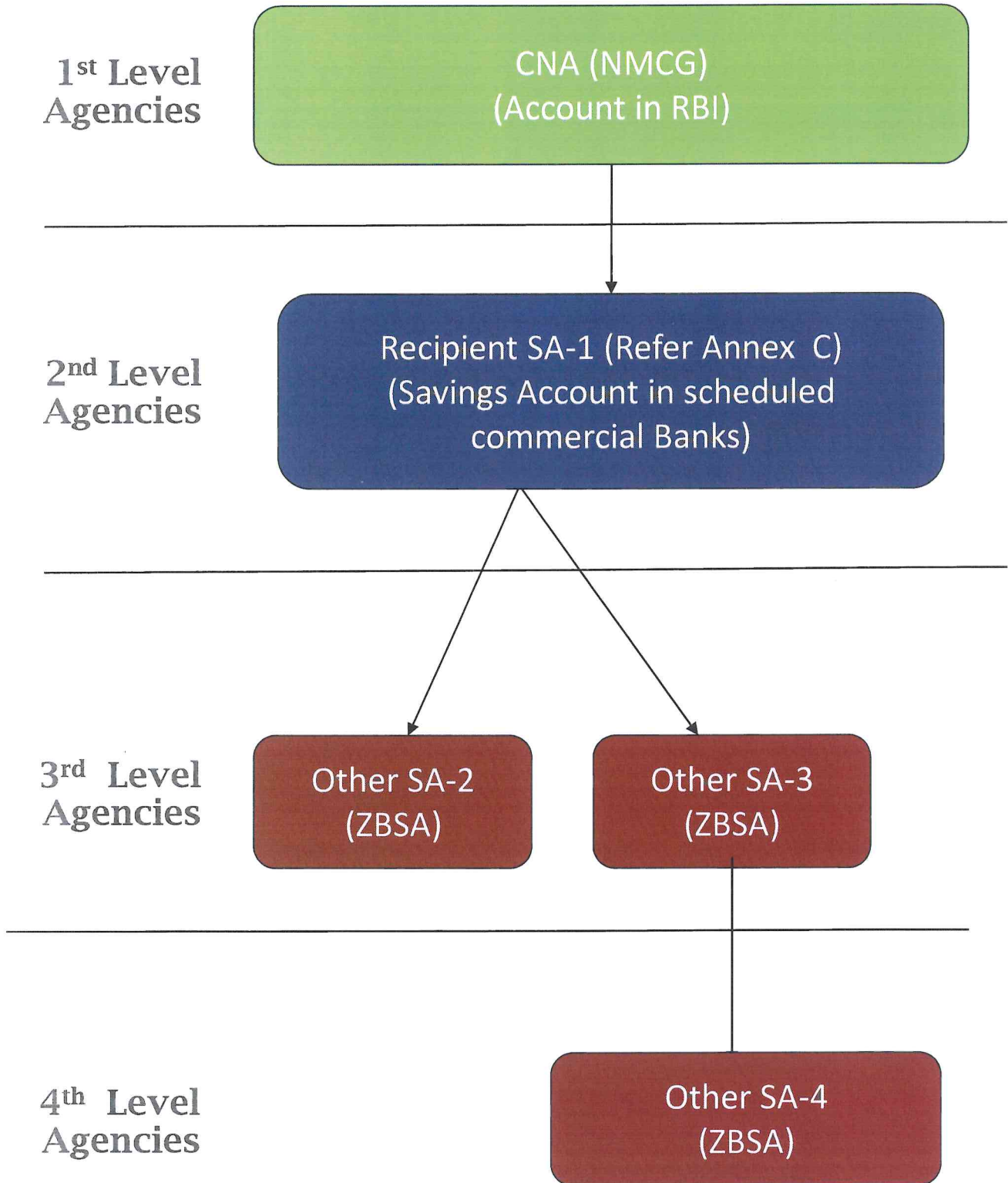
Sl.	Agency Name
1.	Tata Institute of Social Science (TISS)
2.	Centre for Policy Research (CPRI)
3.	Himalayan Environmental Studies & Conservation Organization (HESCO)
4.	Patanjali Organic Research Institute
5.	Solidaridard Regional Expertise Centre, New Delhi
6.	H ₂ O Mantra Private Limited
7.	The Energy and Resources Institute (TERI)
8.	Centre for Science and Environment

Case where Government SA is Funding Agency for Recipient SA at 3rd level



CNA: Central Nodal Agency, **SA:** Sub-Agency, **ZBSA:** Zero Balance Subsidiary Account

Case where CNA is Funding Agency for Recipient SA at 2nd Level



CNA: Central Nodal Agency, SA: Sub-Agency, ZBSA: Zero Balance Subsidiary Account