

No. W-11042/54/2017-Water-I
Government of India
Ministry of Drinking Water & Sanitation

4th Floor,
Pt. Deendayal 'Antyodaya' Bhawan
CGO Complex, Lodhi Road,
New Delhi-110 003
Dated: 17.11.2017

To
The Addl. Chief Secretary / Principal Secretary / Secretary
Rural Water Supply Department
All States / UTs

Subject: **Release of 2nd instalment under NRDWP for 2017-18**

Madam / Sir,

This is in continuation of letter of even No. dated 13.11.2017 vide which States have been intimated regarding restructuring of National Rural Drinking Water Programme (NRDWP). With this, all the releases made under NRDWP [except National Water Quality Sub-Mission (NWQSM) and RWSSP-LIS] till 10.11.2017 are considered as part of 1st instalments. All further requests for releases (except for NWQSM and RWSSP-LIS) will not be processed further. Instead, **proposals as described in para- 4 & 5 below are requested from the States** for the releases of 2nd instalment by 30.11.2017.

2. Apart from NWQSM and RWSSP-LIS, there will now be only 2 Accounting Heads one each for (a) **Coverage Head** - meant for Piped Water Supply Schemes (PWSS), Support activity, WQM&S activity and (b) **JE-AES Head** – meant for schemes for coverage of JE / AES affected areas.
3. Allocation / releases of **Coverage Head** will be made through **2 separate Components** namely **Normal Component** and **Sustainability (Functionality) Component**. However, purpose of both these Components is same i.e. for PWS scheme. State-wise provisional allocation for the releases of both these Components under 2nd instalment in 2017-18 have already been intimated vide this Ministry's letter even No. dated 13.11.2017. State-wise allocation for the JE-AES Head will be intimated shortly.
4. **Normal Component** will be released as reimbursement. **States / UTs are requested to submit the proposals for release of this Component by 30.11.2017 failing which such undisbursed amount will be available to the States on first-cum-first-served basis w.e.f. 01.12.2017.** To claim this Component, States are required to utilize:

- (a) Minimum 60% of the GoI funds available with them in 2017-18 (OB as on 01.04.2017 plus releases made so far),
- (b) Allocated fund under this component (to be reimbursed) *,
- (c) State matching share for both the above.

*For NE and Himalayan States: they are required to utilize only 1/9th of the allocated fund (to be reimbursed). For UT: Not applicable.

Utilization of amount excess over minimum 60% under (a) above will be considered as expenditure for (b) above. If a State has short of GoI fund for utilization of (b) above, they can use State fund which can be shown as State expenditure. Two illustrations in this respect are enclosed at **Annexure-A**. This can be viewed in IMIS in **Format D-21** (Checklist for release). The following documents are also required with the Proposal:

- i. Audited Statement of Accounts (ASA) from the CA empanelled by CAG / AG Audit Report for the previous year (2016-17).
 - ii. Utilization Certificate for the year 2016-17 and 2017-18 (provisional) under Central & State shares duly countersigned by Secretary in charge of RWS Department - Expenditure figure in the Provisional UC for the year 2017-18 must not be less than that of reported in IMIS.
 - iii. **Reports named C-45 and D-20 in IMIS** (based on the entries made by the States) **listing 'Progress of Scheme' and 'Progress of Activity'** respectively duly countersigned by Secretary of RWS Department
 - iv. Certificate from the Secretary of RWS Department stating that the schemes with higher physical progress have been given priority.
5. To claim **Sustainability (Functionality) Component**, States are required to utilize:
- (a) Minimum 60% of the GoI funds available with them in 2017-18 (OB as on 1.4.2017 plus releases made so far),
 - (b) State matching share for the above.

The following documents are required with the Proposal:

- i. Audited Statement of Accounts (ASA) from the CA empanelled by CAG / AG Audit Report for the previous year (2016-17)
- ii. Utilization Certificate for the year 2016-17 and 2017-18 (provisional) under Central & State share duly countersigned by Secretary in charge of RWS Department - Expenditure figure in the Provisional UC for the year 2017-18 must not be less than that of reported in IMIS.

6. Further, the following is explained for information of the states / UTs:
- a) Expenditure against committed liabilities (part payment due against works for which order has already been placed) against following is now to be borne by States from their own resources.
 - i. Works under Sustainability (erstwhile component of NRDWP),
 - ii. O&M (erstwhile component of NRDWP)
 - iii. Schemes other than piped water supply
 - iv. Hand Pumps

As such, no booking of expenditure on these would be allowed after 30.11.2017.

- b) However, conversion of public shallow Hand Pumps to 'India Mark II Hand Pumps' is allowed in schemes out of funds released under 5% WQ Earmarked (bacteriological) meant for JE /AES affected areas.
 - c) The schemes taken up under DDP funds and 5% WQ Earmarked (chemical) will be considered under Coverage Head.
 - d) Henceforth, funding pattern for schemes taken up under DDP funds would be 50: 50 except J&K and Himachal Pradesh for which it would be 90:10.
 - e) With immediate effect, Unspent Balance of all the erstwhile releases [except Calamity, National Water Quality Sub-Mission (NWQSM), RWSSP-LIS, 5% WQ Earmarked (bacteriological)] will be merged in one Head i.e. Coverage Head.
 - f) Expenditure for Support and WQM&S activities which will be limited to a maximum of 5% each would be part of Coverage Head and the same will be captured in IMIS separately.
 - g) Procedure for release of funds under RWSSP-LIS and NWQSM shall remain unchanged.
 - h) Provisions of Flexi Funds shall continue to be applicable.
7. With this, States / UTs are hereby again requested to send the proposal for both the Components immediately so as to enable the Ministry to release the funds. In case of any clarification, the same may be obtained also over phone from the undersigned or Shri Sumit Priyadarshi, Assistant Adviser.

Yours sincerely,



(Rajesh Kumar)
Director (Water)

Illustrations for checking the expenditure for release of 2nd instalment
(Reimbursement Mode)

Case - I: States with 50:50 funding pattern

S. No.	State - Andhra Pradesh	Formula / Logic	Amount in Rs. Lakh
1	Latest Reported Month		Sept.
2	Opening Balance (GoI)		5,939
3	Total Allocation		32,527
4	Central Allocation		14,408
5	State Allocation		18,119
6	Total Release		14,423
7	Central Release		7,147
8	State Release		7,276
9	Total Exp.		17,413
10	Central Exp.		10,818
11	Exp. % GoI		83
12	Exp. State		6,595
13	Bank Interest		-
14	Other deposits / Recoveries		-
15	Closing GoI		2,268
16	Av. Balance	(2 + 7 + 13 + 14)	13,086
17	Trigger amount for GoI expenditure	(16 x 0.6)	7,852
18	Exp. Over trigger amount	(10 - 17)	2,966
19	Triggered (Yes / No) Condition-A	(if 18 > 0, Then Yes, Else No)	Yes
20	Allocation IIR		4,583
21	Total GoI expen. Required for release of IIA	(17 + 20)	12,435
22	Further GoI exp. Required	(21 - 10)	1,617
23	Further GoI exp. Required (yes / No), , Condition-B	(if 22 > 0, Then Yes, Else No)	Yes
24	Further GoI exp. Required - GoI fund is available	(15 - 22)	651
25	Whether sufficient GoI fund is available with them and if not to be met from state fund	(if 24 > 0, Then Yes, Else No)	Yes
26	Matching ratio	(NE and Him 90:10 ratio 0.11, UT 100:0, ratio 0, Others 50:50 ratio 1)	1.00
27	State matching Expenditure required	(26 x 21)	12,435
28	Less State Expenditure	(27 - 12)	5,840
29	Adequate State Expenditure (Yes / No) Condition-C	(if 28 > 0, Then Yes, Else No)	No
30	Total Expenditure required	(27 + 21)	24,870
31	Less Total Expenditure	(9 - 30)	-7457
32	Adequate total Expenditure (Yes / No) Condition-D	(if 31 > 0, Then Yes, Else No)	No

Case - II: States with 90:10 funding pattern

S. No.	State - Tripura	Formula / Logic	Amount in Rs. Lakh
1	Latest Reported Month		October
2	Opening Balance (GoI)		654
3	Total Allocation		3,578
4	Central Allocation		3,226
5	State Allocation		352
6	Total Release		1,711
7	Central Release		1,369
8	State Release		342
9	Total Exp.		2,034
10	Central Exp.		1,778
11	Exp. % GoI		87
12	Exp. State		255
13	Bank Interest		26
14	Other deposits / Recoveries		-
15	Closing GoI		272
16	Av. Balance	(2 + 7 + 13 + 14)	2049
17	Trigger amount for GoI expenditure	(16 x 0.6)	1229
18	Exp. Over trigger amount	(10 - 17)	548.60
19	Triggered (Yes / No) Condition-A	(if 18 > 0, Then Yes, Else No)	Yes
20	Allocation IIR		1,481
21	Total GoI expen. Required for release of IIA	(17 + 20)	2,710
22	Further GoI exp. Required	(21 - 10)	932
23	Further GoI exp. Required (yes / No), , Condition-B	(if 22 > 0, Then Yes, Else No)	yes
24	Further GoI exp. Required - GoI fund is available	(15 - 22)	-660
25	Whether sufficient GoI fund is available with them and if not to be met from state fund	(if 24 > 0, Then Yes, Else No)	no
26	Matching ratio	(NE and Him 90:10 ratio 0.11, UT 100:0, ratio 0, Others 50:50 ratio 1)	0.11
27	State matching Expenditure required	(26 x 21)	301
28	Less State Expenditure	(27 - 12)	46
29	Adequate State Expenditure (Yes / No) Condition-C	(if 28 > 0, Then Yes, Else No)	No
30	Total Expenditure required	(27 + 21)	3,011
31	Less Total Expenditure	(9 - 30)	-977
32	Adequate total Expenditure (Yes / No) Condition-D	(if 31 > 0, Then Yes, Else No)	No