

No. S-12011/2/2023-SBM-DDWS- Part(1)  
Government of India  
Ministry of Jal Shakti  
Department of Drinking Water and Sanitation  
Swachh Bharat Mission (Grameen)



4<sup>th</sup> Floor Pt. Deendayal 'Antyodaya Bhawan'  
CGO Complex, Lodhi Road  
New Delhi-110 003  
Dated 29.05.2023

To  
Addl. Chief Secretary/ Pr. Secretary/ Secretary-in-charge  
In-charge Rural Sanitation,  
All States/UTs

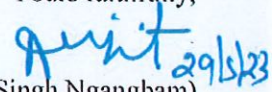
**Subject: Amendment in chapter 16 of SBM-G Phase-II operational guidelines- regarding.**

Madam/Sir,

As you are aware that under SBM-G, funds to States are released as per the provisions as contained in Chapter 16 of SBM(G) Phase-II operational Guidelines and as per the instructions issued by Ministry of Finance, Govt. of India from time to time.

2. During Year 2021 to 23, Ministry of Finance, Government of India has issued number of instructions from time to time regarding flow of funds under CSS which were also forwarded to States for information and necessary compliance.
3. Keeping in view the instructions of M/o Finance, GoI, the relevant paras of Chapter 16 of SBM-G Phase-II Operational guidelines are amended and placed at Annexure to this letter for your information.
4. This is issued with the approval of competent authority.

Yours faithfully,

  
(Karanjit Singh Ngangbam)

Director

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Copy to:-

- i. Mission Director/State Coordinator, SBM-G, All States/UTs

Copy for internal circulation to

- i. All Directors/ Deputy Secretary, SBM-G Division
- ii. DS (IFD)
- iii. Hindi Section: with the request to provide Hindi translation for uploading the same in the website of DDWS
- iv. Sr. TD (NIC) for uploading the same on website of DDWS under the heading SBM(G) guidelines.

Amendment in chapter 16 of SBM-G Phase-II operational guidelines

Para No.	Existing provision	Revised provision
16.1.1	<p>“The eligibility of the State / UT for release of 1st installment (i.e. 50% of tentative allocation).....The 2nd tranche i.e. 50% of the eligible amount of 1st installment after subsuming the excess opening balance / unspent balance and balance part of 1st installment i.e. the subsumed amount of excess opening balance/ unspent balance, if any, will be released after utilization of 80% of the available funds during the current financial year i.e. opening balance, funds released as 1st tranche of 1st installment and interest accrued thereon, automatically by the Department (i.e. without any proposal and reference to IFD).”</p>	<p>The 1st installment shall be 50% of the tentative allocation for the financial year and will be released in 2 tranches.</p> <p>The first tranche of the first installment will be 50% of the 1st installment which will be released as and when the complete formal proposal seeking release of 1st installment with requisite documents, including Final UC and ASA, which became due during the previous financial year, will be submitted by the State, <b>75% of the total available funds during the last financial year (i.e. opening balance of last financial year, funds released during the last financial year and other receipts, for both Centre and State share) has been utilized and concurred by IFD, Gol.</b> However, the IFD’s concurrence will be obtained for 1st installment. The 2nd tranche i.e. balance 50% of the eligible amount of 1st installment will be released after utilization of <b>75% of the available funds</b> during the current financial year i.e. opening balance, funds released as 1st tranche of 1st installment, automatically by the Department (i.e. without any proposal and reference to IFD).</p>

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Para No.	Existing provision	Revised provision
16.1.2	<p><i>Following points for first tranche of 2<sup>nd</sup> installment are revised:</i></p> <p>iv) Commitment of the State to release of proportionate State share into the SWSM account within fifteen days of release of Central share;</p> <p>v) Utilization of 60% of the available funds with the SWSM i.e. opening balance, funds released as first installment of Grant-in-aid under SBMG during the year and interest earned thereon, Central Share and State Share separately;</p> <p>vi) Analysis of the funds absorbing capacity of the State (maximum six months requirement based on average expenditure trend during the past two months);</p>	<p><i>Following points for first tranche of 2<sup>nd</sup> installment are revised:</i></p> <p>iv) Release of full amount of previously released Centre and proportionate State share to the SNA;</p> <p>v) Removed</p> <p>vi) Analysis of the funds absorbing capacity of the State as per Rule 230 (7) of GFR, 2017 <i>(All the remaining points will be same)</i></p>
	<p><i>Existing para for Second tranche of 2<sup>nd</sup> installment:</i></p> <p>The 1st tranche will be 50% of the 2nd installment and will be released on receipt of proposal for 2nd installment and fulfillment of the above conditions by the State/UT and concurrence of IFD, GoI. However, the IFD's concurrence will be obtained for full amount of 2nd installment. The 2nd tranche i.e. remaining 50% of the 2nd installment will be released after utilization of 80% of the available funds during the current financial year i.e. opening balance, funds released during the current financial year (full 1st installment and 1st tranche of 2nd installment) and interest accrued thereon, for both Centre and State share, automatically by the Department i.e. without any proposal and reference to IFD).</p>	<p><i>Revised para for both first and second tranche of 2<sup>nd</sup> installment:</i></p> <p>The 1st tranche will be 50% of the 2nd installment and will be released on receipt of proposal for 2nd installment, fulfillment of the above conditions, <b>utilization of 75% of the total available funds during the current financial year i.e. opening balance and funds released as first installment of grants-in-aid during the current financial year and other receipts for both Centre and State share, and concurrence of IFD, GoI.</b> However, the IFD's concurrence will be obtained for full amount of 2nd installment. The 2nd tranche i.e. remaining 50% of the 2nd installment will be released <b>after utilization of 75% of the available funds during the current financial year i.e. opening balance, funds released during the current financial year (full 1st installment and 1st tranche of 2nd installment) and other receipts, for both Centre and State share, automatically by the Department (i.e. without any proposal and reference to IFD).</b></p>

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*29/5/23*

**16.3 Interest earned on Funds Released:**

The SBMG funds (Central and State shares) should be kept in savings bank account(s) only. The interest accrued on SBMG funds shall be treated as part of the SBMG resource. The State must submit utilization of interest accrued on SBMG funds along with claim/s for subsequent instalments and it should be reflected in the Utilization Certificates.

**Interest earned on Funds Released:**

The SBMG funds (Central and State shares) should be kept in savings bank account(s) only. The interest accrued in SNA shall be remitted to the Consolidated Funds of India and Consolidated Funds of State on pro rata basis.

*Amint  
29/5/23*