



PHONE : 2213-3151/3152/3163
FAX: (033) 2213-3174

भारतीय लेखापरीक्षा और लेखा विभाग
कार्यालय प्रधान महालेखाकार (सामान्य एवं सामाजिक क्षेत्र लेखापरीक्षा), पश्चिम बंगाल
ट्रेजरी बिल्डिंग्स, 2, गवर्मेन्ट प्लेस (पश्चिम), कोलकाता-700 001
INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL
(GENERAL & SOCIAL SECTOR AUDIT), WEST BENGAL
TREASURY BUILDINGS, 2, GOVT. PLACE (WEST), KOLKATA - 700 001

No.FAW/FASS-V/53/EAP/NHP-WRIDD/2018-19/375

Date :11.01.2019

To
The Nodal Officer, SPMU_NHP_WB (GW) &
Executive Engineer (A-1),
Water Resources Investigation & Development Department,
State Water Investigation Directorate,
O/o the Executive Engineer (A-1), Planning Division, SWID,
Bikash Bhaban, South Block, 4th Floor,
Saltlake, Kolkata-700 091.

**Subject : Issue of Audit Report in respect of World Bank assisted
National Hydrology Project (Loan No. 8725-IN) for the
financial year 2016-17 and 2017-18.**

Sir,

I am to forward herewith the Audit Report, duly incorporating the audit observations, in respect of World Bank assisted National Hydrology Project (Loan No. 8725-IN) for the financial year 2016-17& 2017-18. The receipt of the same may kindly be acknowledged.

Enclo: As stated.

Yours faithfully,

(Timir Bhadra)
Sr. Dy. Accountant General / FAW

Audit Report – Unqualified Opinion

Report of the Comptroller and Auditor General of India

To
The Principal Secretary to Government of West Bengal,
Department of Water Resources Investigation and
Development (DWRI&DD)
11A, Mirza Galib Street,
Khadya Bhawan, Block-A (5th Floor),
Kolkata- 700 087.

Report on the Project Financial Statements

We have audited the accompanying financial statements of the World Bank assisted National Hydrology Project (Loan No. 8725-IN), which comprise the Statement of Sources and Applications of Funds, Reconciliation of Claims to Total Applications of Funds and Management Assertion letter as furnished by the Project Authority for the year ended 31 March 2017. These statements are the responsibility of the Project's management. Our responsibility is to express an opinion on the accompanying financial statements based on our audit.

We conducted our audit in accordance with the Auditing Standards promulgated by the Comptroller and Auditor General of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit examines, on a test basis, evidence supporting the amounts and disclosures in the financial statements. It also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the sources and applications of funds of World Bank assisted National Hydrology Project (Loan No. 8725-IN) for the year ended 31 March 2017 in accordance with Government of India accounting standards.

In addition, in our opinion, (a) with respect to PFS, adequate supporting documentation has been maintained to support claims to the World Bank for reimbursements of expenditures incurred; and (b) except for ineligible expenditures as detailed in the audit observations, expenditures are eligible for financing under the Loan / Credit Agreement. During the course of the audit, PFS and the connected documents were examined and these can be relied upon to support reimbursement under the Loan / Credit Agreement.

This report is issued without prejudice to CAG's right to incorporate the audit observations in the Report of CAG of India for being laid before Parliament / State Legislature.

Audit Observations :

The Project Financial Statement in respect of World Bank assisted National Hydrology Project (Loan No. 8725-IN), for the financial year 2016-17 furnished by the Project Authority disclosed an expenditure of ₹ Nil which is accepted in audit.



T. Bhadra

Sr. Dy. Accountant General / FAW

Date :30.11.2018

Audit Report – Unqualified Opinion

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To
The Principal Secretary to Government of West Bengal,
Department of Water Resources Investigation and
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This report is issued without prejudice to CAG's right to incorporate the audit observations in the Report of CAG of India for being laid before Parliament / State Legislature.

Audit Observations :

The expenditure incurred in respect of World Bank assisted National Hydrology Project (Loan No. 8725-IN), for the financial year 2017-18 is Rs.8089859 and expenditure admitted in audit is Rs.7306634.

Out of Rs.8089859, amount eligible for reimbursement stands at Rs.3653317 in audit as shown below:-

Components	Expenditure incurred as per audit (Rs)	Expenditure inadmissible in Audit. (Rs.)	Expenditure admitted in audit (Rs)	Percentage of reimbursement. (Rs)	Amt eligible for reimbursement. (Rs)	Reasons for inadmissible in audit (Rs.)
(1)	(2)	(3)	(4) (2 - 3)	(5)	(6)	(7)
Component A & D	8089859	783225	7306634	50%	3653317	In violation of order No. X-92021/ 1/ 2016-NHP/1118-1258 dated 23 rd June, 2016 of Ministry of Water Resources, RD & GR, National Hydrology Project, Govt. of India, the supplier was paid 65% (₹ 2036385) of the cost (₹ 3132900) instead of the stipulated 40% resulting in excess payment of 25% (₹ 783225) of the cost.
Total:	8089859	783225	7306634		3653317	



T. Bhadra
Sr. Dy. Accountant General / FAW

Date :30.11.2018