



INDIAN AUDIT & ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL
(AUDIT-I), WEST BENGAL

Treasury Buildings, 2, Government Place West, Kolkata 700001

भारतीय लेखा परीक्षा और लेखा विभाग

कार्यालय प्रधान महालेखाकार (लेखा परीक्षा-I), पश्चिम बंगाल

ट्रेज़री बिल्डिंग्स, 2, गवर्नमेंट प्लेस वेस्ट, कोलकाता 700001

Phone: 033-22133176, FAX: 033-22133174

Email: agauwestbengal1@cag.gov.in

No.383/FAW/FASS-V/EAP/NHP-WRIDD/2019-2020/124

Date : 22.12.2020

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 : Audit Report in respect of World Bank assisted National Hydrology Project (Loan No. 8725-IN) for the financial year 2019-2020.

Sir,

I am to forward herewith the Audit Report on the afore-mentioned project in respect of the financial year 2019-2020.

The receipt of the Audit Report may please be acknowledged.

Yours faithfully,

Enclo: As stated.

(Nanda Dulal Das)

Deputy Accountant General / AMG-IV



**INDIAN AUDIT & ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL
(AUDIT-I), WEST BENGAL**

Treasury Buildings, 2, Government Place West, Kolkata 700001

भारतीय लेखा परीक्षा और लेखा विभाग

कार्यालय प्रधान महालेखाकार (लेखा परीक्षा-I), पश्चिम बंगाल

ट्रेजरी बिल्डिंग्स, 2, गवर्नमेंट प्लेस वेस्ट, कोलकाता 700001

Phone: 033-22133176, FAX: 033-22133174

Email: agawestbengal1@cag.gov.in

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

Report of the Comptroller and Auditor General of India 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 2020. 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 2020 in accordance with Government of India's 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 the Parliament / State Legislature.

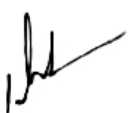
Audit Observations:

The expenditure incurred in respect of World Bank assisted National Hydrology Project (Loan No. 8725-IN), for the financial year 2019-2020 is ₹ 8371212.90 and the same is admitted in audit.

Out of ₹ 8371212.90, amount eligible for reimbursement stands at ₹ 4185606.45 in audit as shown below:-

Components	Expenditure incurred as per audit (₹)	Expenditure inadmissible in Audit. (₹)	Expenditure admitted in audit (₹)	Percentage of reimbursement (₹)	Amt eligible for reimbursement. (₹)
A	1933394.00	-	1933394.00		
B	168005.00	-	168005.00		
C	706114.00	-	706114.00		
D	5563699.90	-	5563699.90		
Total:	8371212.90	-	8371212.90	50%	4185606.45

Further, ₹ 88500.00 not admitted by audit during 2018-19 and claimed again during 2019-20 is not admitted as detailed in Annexure.


(Nanda Dulal Das)
 Deputy Accountant General (AMG-IV),
 Office of the Pr. Accountant General
 (Audit-I), West Bengal,
 2 Government Place (West), Treasury Buildings,
 Kolkata - 700 001.

Date: 13.11.2020

Annexure

Audit observations on "Adjustments in respect of earlier periods" i.e. relating to the financial year 2018-19

Year of expenditure	Expenditure not admissible (2018-19) (₹)	Reasons for not admitting the expenditure during the year of expenditure	Expenditure pertaining to 2018-19 (not admitted in current audit) (₹)
2018-19	88500.00	Rate quoted by the agency for supply and installation of 25 nos. of Digital Water Level Recorders (DWLRs) included charge of supply, installation and commissioning of the same. However, contract were awarded with additional item payment of ₹ 3540/- per unit for onsite assembly, commissioning and start up thereby incurred excess expenditure of ₹ 88,500/- on account of installation and commissioning of 25 DWLRs. The management replied that 1 st part of the BOQ corresponds to supply of the equipment and the second Part for providing service. Reply from the Management is not tenable as the 1 st part of BOQ explicitly included installation, testing and commissioning of DWLRs. Hence payment of ₹ 88500.00 for the same work under 2 nd part is held inadmissible.	88500.00
Total	88500.00	--	88500.00