

स्वीड पोस्ट

कार्यालय महानिदेशक लेखापरीक्षा
वैज्ञानिक विभाग, नई दिल्ली

स. मनि./वै.वि./पर्या./विश्व बैंक अनुदान/NRSC/Hyd/2018-19/1436

दिनांक

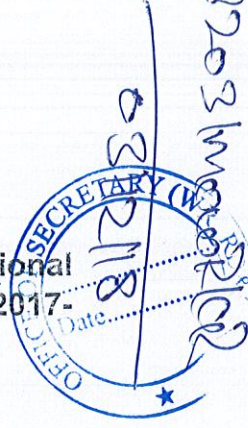
सेवा में,

Secretary,
Ministry of Water Resources,
River Development & Ganga Rejuvenation,
Shram Shakti Bhawan,
Rafi Marg,
New Delhi-110 001

१३/११

30 NOV 2018

विषय:- **Audit Certificate in respect of National Hydrology Project of National Remote Sensing Centre, Hyderabad (MoWR, RD&GR) for the year 2017-18.**



महोदय,

Pleas find enclosed Audit Certificates for National Hydrology Project of National Remote Sensing Centre, Hyderabad (Ministry of Water Resources, River Development and Ganga Rejuvenation) for the year 2017-18.

15/12/18
5/12

संलग्न : यथोपरि

भवदीय,

२७/११

निदेशक (पर्यावरण लेखापरीक्षा)

Js (EC & G) dh

Js (EC & G) dh

Js (EC & G) dh
6/12/18
AD(NH&P)

**Inspection Report relating to World Bank Aided Project “National Hydrology Project
(PC: 1420) for the year 2016-17 and 2017-18**

1. Unspent Balance

Out of 14 heads, NRSC received Rs.844.72 lakh for the project activity under 12 heads during the period 2017-2018 out of which Rs.449.54 lakh was spent as on 31st of March 2018 leaving a closing balance of Rs.395.17 lakh. Out of 12 heads no expenditure was incurred in six heads.

Huge amount of balance indicated slow progress of the project. Early action may be taken to expedite the project activities. NRSC may ensure that entire amount of grant is spent on the project so as to achieve all the objectives. Compliance of utilization of funds may be intimated to Audit.

Centre replied (October 2018) that the pace of expenditure was slow in the initial phase of the project, as inception of various interlinked activities affects progress and related project expenditure. However, with project works fully taken up and with recruited technical manpower, the expenditure during 2018-19 is expected to be as per the provision with less unspent balance.

The pace of work completion would be seen during next audit.

2. Non maintenance of books to be maintained at implementing agency

According to article 18(iv) of Annexure II (Financial Management Guidelines) of Memorandum of Agreement (MOA) under National Hydrology Project between Ministry of Water Resources, River Development & Ganga Rejuvenation and National Remote Sensing Centre, Hyderabad the Centre is required to maintain separate cash book and Contractor's Ledger in existing format for the project. It was however observed that the required books of accounts were not maintained by NRSC for the project.

Centre replied (September 2018) that in view of various instructions issued by Government of India towards digitalization of accounting records, the Receipts and Payments are accounted

and maintained electronically. The details of receipts and payments of National Hydrology Project can be generated from the available MIS at any given point of time. Based on the report generated, the opening and closing balance are derived on a monthly basis and reconciled with that of Monthly Accounts. Hence the need for maintaining a separate physical cash book has not arisen. The National Hydrology Project has so far, not undertaken or envisaged any civil works. However, if any civil work is undertaken in the near future, the Contractor's ledger shall be duly maintained.

Centre further replied (October 2018) that Statement of Expenditure, Receipt Vouchers, Payment Vouchers, Purchase Files, TA Settlement Claims, Contingent Advance Settlement Claims, Transfer Entry copies, Project implementation plan, MIS reports and Utilization Certificate are being maintained by the Centre.

According to article 18(ii) of Annexure II (Financial Management Guidelines) of Memorandum of Agreement (MOA) under National Hydrology Project between Ministry of Water Resources, River Development & Ganga Rejuvenation and National Remote Sensing Centre, Hyderabad the Centre would follow the accounting system normally used by them. The Centre is therefore, required to maintain separate cash book and accounts for the project.



Director General of Audit



महानिदेशक लेखापरीक्षा
वैज्ञानिक विभाग
ए.जी.सी.आर. भवन, इन्द्रप्रस्थ एस्टेट,
नई दिल्ली-110002
DIRECTOR GENERAL OF AUDIT
SCIENTIFIC DEPARTMENTS
A.G.C.R. BUILDING, I.P. ESTATE
NEW DELHI-110 002

AUDIT CERTIFICATE

We have audited the accompanying financial statements of the National Hydrology Project, National Remote Sensing Agency, Hyderabad, financed under World Bank Loan PC:1420, which comprise the statement of sources and applications of funds and the Reconciliation of Claims to total applications of funds for the year ended 31st March 2018. 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 mis-statement. 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 statement presents fairly in all material respects, the sources and applications of funds of National Hydrology Project, National Remote Sensing Agency, Hyderabad for the year ended 31st March 2018 in accordance with Government of India accounting standards.

In addition, in our opinion (a) with respect to SOEs, adequate supporting documentation has been maintained to support claims to the World bank for reimbursements of expenditure incurred; and (b) except for ineligible expenditures of NIL as detailed in the Audit observations, if any, appended to this Audit report, expenditures of ₹449.54 lakh are eligible for financing under the Loan/Credit Agreement. During the course of the Audit, SOEs amounting to ₹224.77 lakh (External Support) and ₹224.77 lakh (Domestic Support) and the connected documents were examined and these can be relied upon to support reimbursement of ₹224.77 lakh under the Loan/Credit Agreement.

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

Manish Kumar

Director General of Audit

ANNEXURE – I

Statement showing the details of expenditure admitted/disallowed in audit for the year 2017-18 in respect of World Bank assisted National Hydrology Project (PC.1420) implemented by National Remote Sensing Centre, Hyderabad

| Sl. No. | Component | SOE figure | Actual Expenditure as verified in audit | Expenditure disallowed in audit | Expenditure admitted in audit | Percentage admissible as per agreement | Amount reimbursable |
|---------|--|------------|---|---------------------------------|-------------------------------|--|---------------------|
| 1. | High Resolution DEM | 21289708 | 21289708 | 0 | 21289708 | 50 | 10644854 |
| 2. | Medium Resolution DEM | 0 | 0 | 0 | 0 | 50 | 0 |
| 3. | Satellite Data Cost | 21600000 | 21600000 | 0 | 21600000 | 50 | 10800000 |
| 4. | Geo-Spatial Data Analysis | 1875000 | 1875000 | 0 | 1875000 | 50 | 937500 |
| 5. | Field Experimentation & Out sourcing | 0 | 0 | 0 | 0 | 50 | 0 |
| 6. | Hardware & Software Procurement | 0 | 0 | 0 | 0 | 50 | 0 |
| 7. | Field Travel Expenses | 88693 | 88693 | 0 | 88693 | 50 | 44346.5 |
| 8. | Technical Manpower (Hired) | 0 | 0 | 0 | 0 | 50 | 0 |
| 9. | International Training/Workshops | 0 | 0 | 0 | 0 | 50 | 0 |
| 10. | Domestic Training/Workshops | 0 | 0 | 0 | 0 | 50 | 0 |
| 11. | Customized RS&GIS Training & Capacity Building at NRSC | 5070 | 5070 | 0 | 5070 | 50 | 2535 |
| 12. | Establishment Charges of NRSC | 0 | 0 | 0 | 0 | 50 | 0 |
| 13. | Operational Costs of NRSC | 96000 | 96000 | 0 | 96000 | 50 | 48000 |
| 14. | Supporting Manpower (Hired) | 0 | 0 | 0 | 0 | 50 | 0 |
| | | | | | | | 22477235.5 |



Director (EA)

ANNEXURE – II

Statement showing the details of disallowances made from the expenditure incurred during the year 2017-18 in respect of World Bank assisted National Hydrology Project (PC.1420) implemented by National Remote Sensing Centre, Hyderabad
(Rs. in lakh)

| Sl. No. | District/Unit Office | Reasons for disallowances | Para No. | Amount disallowed |
|---------|---|---------------------------|----------|-------------------|
| 1. | National Remote Sensing Centre, Hyderabad | NA | NA | NA |

ANNEXURE – III

Statement showing the details of review of outstanding paragraphs of previous Inspection Report in respect of World Bank assisted National Hydrology Project (PC.1420) implemented by National Remote Sensing Centre, Hyderabad
(Rs. in lakh)

| Sl. No. | Name of the office | Year | Para | Disallowance during previous audit | Amount released | Balance |
|---------|---|---------|------|------------------------------------|-----------------|---------|
| 1. | National Remote Sensing Centre, Hyderabad | 2017-18 | -- | Not Applicable | Not Applicable | |



Director (EA)