

**GOVERNMENT OF ANDHRA PRADESH  
GROUND WATER AND WATER AUDIT DEPARTMENT**

From,

Sri A.Varaprasada Rao, M.Sc., M.Sc.,(Tech).  
Director (FAC),  
Ground Water and Water Audit Department,  
Vysya Bhavan, Namboori Vari Veedhi,  
Hanuman Pet, Near Railway Station,  
VIJAYAWADA-520003.  
Email:andhragw@gmail.com

To

The Director (HP),  
National Hydrology Project,  
MOWR, RD & GR, 2<sup>nd</sup> Floor,  
Block No.3, CGO Complex  
Lodhi Road,  
NEW DELHI-110003.

**Lr. No.4357/NHP/Audit/2020**

**Date:21 -12-2020**

Sir,

**Sub:** Andhra Pradesh Ground Water and Water Audit Department – National Hydrology Project – Submission of Audit Certificate by Implementing Agencies (IAs) for Financial Year 2019-20 under NHP from CAG – Regarding.

**Ref:** 1)Your Letter F.No.X-57011/1/2018-HP-132, Dated: 10.11.2020.  
2) This office Lr.No.4357/NHP/Audit/2020, Dated:12.11.2020.  
3) Email from NPMU, NHP dated:02/12/2020.  
4) This office Lr.No.4357/NHP/Audit/2020, Dated:02.12.2020.

\*\*\*\*\*

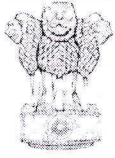
Kind attention is invited to the subject and references cited.

The certificate for the audit conducted for the expenditure incurred from the funds allocated under National Hydrology Project during the financial year 2019-20 has issued by Comptroller & Auditor General (CAG), Andhra Pradesh is herewith submitted for kind perusal and necessary action.

Encl: As above

Yours faithfully,

  
**DIRECTOR (FAC).** 21/12/20



**INDIAN AUDIT AND ACCOUNTS DEPARTMENT  
O/o The PRL. ACCOUNTANT GENERAL (AUDIT)  
ANDHRA PRADESH, HYDERABAD 500 004**



**Report of the Comptroller and Auditor General of India**

**To**

The Director,  
Ground Water and Water Audit Department,  
14-7-29, Vysya Bhavan,  
Namboori Vari Veedi, Hanumanpet,  
Vijayawada – 520 003.

**Report on the Project Financial Statements**

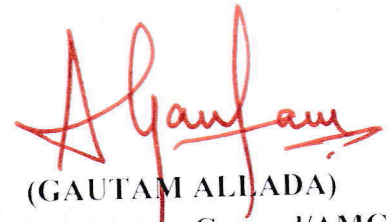
We have audited the accompanying financial statements of the World Bank assisted “**National Hydrology Project (NHP), Ground Water and Water Audit Department**” financed under **World Bank Loan No.8725-IN** which comprises the Statement of Sources and Applications of Funds and the Reconciliation of Claims to Total Applications of Funds for the year ended **31<sup>st</sup> 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 have 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 examined, 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 Project Financial Statements present fairly, in all material respects, the sources and applications of funds of **National Hydrology Project (NHP), Andhra Pradesh Ground Water for the year ended 31<sup>st</sup> March 2020** 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 expenditure of **Rs.Nil**, appended to this audit report for the year **2019-20**, the expenditures are eligible for financing under the Loan/Credit Agreement. During the course of the audit, SOEs and the connected documents were examined and these can be relied upon to support reimbursement under the Loan/Credit Agreement as per **Annexures A, B, & C**. No separate management letter is issued along with this report.

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



(GAUTAM ALLADA)  
Deputy Accountant General/AMG-I

## AUDIT CERTIFICATE

The Expenditure Statement/Financial Statement relating to World Bank assisted “**National Hydrology Project**” (NIIP), for **AP Ground Water (Loan No.8725-IN)** for the year ended **31<sup>st</sup> March 2020** attached hereto have been audited in accordance with the regulations and standards of audit of the Comptroller and Auditor General of India and accordingly included such tests of accounting records, internal checks and controls and other auditing procedures necessary to confirm.

- a) that the resources were used for the purpose of the project and
- b) that the expenditure statements/financial statements are correct

During the course of the audit referred to above, Statement of Expenditure (SOE) (for an amount of **Rs.3,89,87,705.50** and the connected documents were examined and these can be relied upon to support reimbursement under the aforesaid loan/credit agreement.

On the basis of the information and explanations that have been obtained as required and according to the best of our information as a result of the test audit it is certified that no expenditure has been met regarding implementation (and operations) of the project for the year **2019-20**.

This certificate is issued without prejudice to CAG's right to incorporate any further/detailed audit observations if and when made in the Report of CAG of India for being laid before Parliament /State Legislature.

Yours faithfully,



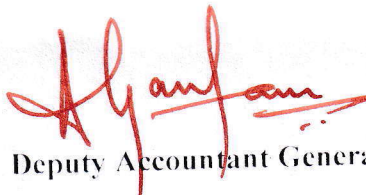
(GAUTAM ALJADA)

Deputy Accountant General/AMG-I

Annexure- A

Statement showing the details of Expenditure incurred i.e. Category wise, component wise for the year 2019-20 in respect of World Bank Assisted National Hydrology Project (NHP), Andhra Pradesh Ground Water & Water Audit Department (Loan No. 8725-IN)

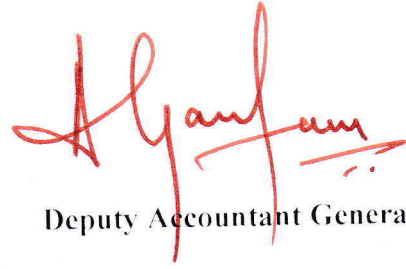
Component	SOE Figure (Rs)	Actual Expenditure as verified in Audit (Rs)	Expenditure Disallowed in Audit (Rs)	Expenditure Admitted in Audit (Rs)
<b><u>Component - A</u></b>				
Water Resources Monitoring Systems	1,79,40,638	1,79,40,638	---	1,79,40,638
<b><u>Component - B</u></b>				
Water Resources Information Systems	16,80,000	16,80,000	---	16,80,000
<b><u>Component - C</u></b>				
Water Resources Operations and Planning Systems	35,000	35,000	---	35,000
<b><u>Component - D</u></b>				
Institutional Capacity Enhancement	1,93,32,067.50	1,93,32,067.50	---	1,93,32,067.50
<b>Grand Total</b>	<b>3,89,87,705.50</b>	<b>3,89,87,705.50</b>	<b>NIL</b>	<b>3,89,87,705.50</b>

  
Deputy Accountant General/AMG-I

Annexure- B

Statement showing the details of disallowances made from the expenditure incurred during the year 2019-20 in respect of World Bank Assisted National Hydrology Project (NHP), Andhra Pradesh Ground Water & Water Audit Department (Loan No. 8725-IN)

District/Unit Office	Amount disallowed (Rs)	Reasons for disallowance
World Bank Assisted National Hydrology Project, AP Ground Water (Loan No. 8725-IN)	--NIL--	--NA--

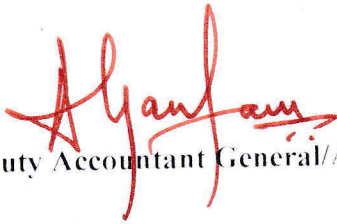


Deputy Accountant General/AMG-I

Annexure- C

Statement showing the details of disallowances made from the expenditure incurred during the previous years now released during the year 2019-20 in respect of World Bank Assisted National Hydrology Project (NHP), Andhra Pradesh Ground Water & Water Audit Department (Loan No. 8725-IN)

Sl. No.	Name of the District/Unit Office	Year of disallowance (Rs)	Amount now released (Rs)	Balance disallowance amount (Rs)
-----NIL-----				

  
Deputy Accountant General/AMG-I