

प्रधान महालेखाकार ( लेखापरीक्षा )  
झारखण्ड का कार्यालय, राँची - 834002



OFFICE OF THE  
PRINCIPAL ACCOUNTANT GENERAL (AUDIT),  
JHARKHAND, RANCHI - 834002

दिनांक/Date .....

No.FINAT-II/IV/02/NHP/2020-21/400

Dated: 23/09/2020

To

Sr. Joint Commissioner, National Hydrology Project,  
Ministry of Water Resources, Govt. of India,  
River Development & Ganga Rejuvenation,  
232, 2<sup>nd</sup> Floor, Block No. 3,  
CGO Complex, New Delhi-110003.

**Subject: Audit Certificate in respect of World Bank Assisted National Hydrology Project;  
Loan No. 8725-IN for the year 2019-20.**

Sir,

I am to invite a reference to letter no.-131/Ranchi, dated- 25/08/2020 of O/o the Executive Engineer, Master Planning Investigation & Hydrology Division No. 2, Water Resources Department, Govt. of Jharkhand, and to enclose the Audit Certificate of National Hydrology Project; Loan No. 8725-IN for the year 2019-20.

Receipt of this letter may please be acknowledged.

**Enclosure:**

1. Audit Report (Annexure-IV).
2. Annexure-I, II & III

Yours faithfully,

Deputy Accountant General/AMG III

Mr. Brijesh Kumar  
5/9/20



दिनांक/Date .....

Report of the Comptroller and Auditor General of India

Sr. Joint Commissioner, National Hydrology Project,  
Ministry of Water Resources, Govt. of India,  
River Development & Ganga Rejuvenation,  
232, 2<sup>nd</sup> Floor, Block No. 3, CGO Complex, New Delhi-110003

**Report on the Project Financial Statement:**

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 and the Reconciliation of Claims to Total Applications of Funds for the year ended **2019-20**. These statements are the responsibility of the Project's Management. Our responsibility is to express an opinion on the accompanying financial statements presentation, based on our audit.

We conducted our audit in accordance with Auditing Standards promulgated by the Comptroller & Auditor General of India. Those Standards require that we plan and perform the audit to obtain reasonable assurance as to 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 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 **2019-20** in accordance with Government of India accounting standards.

In addition, in our opinion,

- (a) With respect to Statement of Expenditure (SOEs), 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, if any, appended to this audit report, expenditures are eligible for financing under the Loan/Credit Agreement. During the course of the audit SOEs/FMRs (vide Letter No. 131/Ranchi, dated-25/08/2020 of O/o the Executive Engineer, NHP, Water Resources Department, Govt. of Jharkhand for the amount of Rs. 55,23,586.00 was provided of which actual audited expenditure is Rs. 54,19,618.00 whose hundred percent (100%) of expenditure i.e. Rs. 54,19,618.00 is admissible for reimbursement) 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 down before Parliament/State or UT Legislature.

  
Deputy Accountant General/AMG III.

Appendix	
Name of the Project	National Hydrology Project (NHP)
Loan No.	8725 IN
Report for the year	2019-20
Opening Balance as on 01.04.2019 (i)	36632731.08
Funds received during the year (ii)	0
Bank interest (iii)	1331440.42
Other receipt (Tender fee) (iv)	40000.00
Total available funds [ A = (i+ii+iii+iv)]	38004171.50
Funds deposited in consolidated fund of India (B)	2947907.00
*Expenditure eligible for reimbursement under component A (C)	5260023.00
Expenditure eligible for reimbursement under component D (D)	159595.00
Total Expenditure eligible for reimbursement (E= C+D)	5419618.00
Closing Balance as on 31.03.2020 (A-B-E)	29636646.50

\* Out of total expenditure Rs. 53,63,991/- under Component A, Rs. 1,03,968/- (S.D. Rs. 89,115 + L. Cess Rs. 14,853) is retained in the cash book as well as in the Bank Account of NHP as on 31.03.2020, hence this amount has not been admitted as eligible expenditure for reimbursement. Hence, eligible amount for reimbursement under component A is Rs 52,60,023/- (Rs. 53,63,991 – 1,03,968).

  
Sr. Audit Officer/FINAT II

Annexure :- 1

**Statement of Sources and Applications of Funds**

Name of the project: National Hydrology Project (NHP)  
Loan No. 8725-IN  
Report for the year ended: 2019-2020

Particulars	Current Year	Previous Year	Project of date In Rs.
Opening balance, ( if cash balance are controlled by the entry) (A)	36632731.08	36600000.00	
<b>Receipts</b>			
Funds received from Government through Budget ( These will include external assistance received by Government for the project.)	0.00	0.00	0.00
Funds received directly by Project implementing Authority through external assistance	0.00	0.00	36600000.00
Beneficiary Contribution ( if any)			
Interest ( By Bank )	1331440.42	2537349.08	3868789.50
Other Receipt (Tender Fee etc.)	40000.00	66144.00	106144.00
<b>Total Receipts (B)</b>	<b>1371440.42</b>	<b>2603493.08</b>	<b>3974933.50</b>
<b>Total Sources (C= A+B)</b>	<b>38004171.50</b>	<b>39203493.08</b>	<b>40574933.50</b>
<b>Expenditures by Component</b>			
A.	5363991.00	932400.00	6296391.00
B.	0.00	0.00	0.00
C.	0.00	0.00	0.00
D.	159595.00	611336.00	770931.00
<b>Total Expenditure (E)</b>	<b>5523586.00</b>	<b>1543736.00</b>	<b>7067322.00</b>
<b>Fund deposit in Consolidated Fund of India (CFI) (F)</b>	<b>2947907.00</b>	<b>1027026.00</b>	<b>3974933.00</b>
<b>Closing Balance, ( if cash balance are controlled by the entry) (C-E-F)</b>	<b>29532678.50</b>	<b>36632731.08</b>	

**Notes:**

- Information about the basis of preparation of the financial statements with regard to the Financial Rules and Codes applicable.
- The above figures will be based on monthly/quarterly abstract accounts prepared by the accounts compiling office, duly reconciled by the respective DDOs, with details of unreconciled amount to be furnished.
- Names of accounting units whose financial statements are aggregated to prepare the consolidated accounts.
- Any other project specific Note.

25-8-2020  
लेखा पदाधिकारी  
जल संसाधन, अभियान एवं जल विज्ञान

Executive Engineer  
Master Planning, Investigation & Hydrology

157  
19

**Annexture-2**

**Reconciliation of Claims to Total Application of Funds**

Name of the Project : NHP  
Loan No : 8725 IN  
Report for the year ended : 2019-2020

Particulars	Schedules	Amount ( in Rs. )		
		Current Year	Previous Year	Project to date
Bank Fund claimed during the year (A)	I	2761793.00	771868.00	3533661.00
Total Expenditure made during the year (B)		5523586.00	1543736.00	7067322.00
Less : Outstanding AC Bills (C)	II	0.00	0.00	0.00
Ineligible expenditure (D)	III	0.00	0.00	0.00
Expenditure not claimed (E)	IV	0.00	0.00	0.00
Total Eligible Expenditures claimed F = (B) - (C) - (D) - (E)		5523586.00	1543736.00	7067322.00
World Bank Share @ 50 % of (F) above (G)		2761793.00	771868.00	3533661.00

*[Signature]*  
Executive Engineer  
Master Planning, Investigation & Hydrology  
Division No-2, WRD, Jal Bhawan  
Ranchi-834002  
Date: 25/08/2020  
25/08/2020

*[Signature]*  
Chief Engineer  
Design M.P. & Hydrology  
-cum-  
Nodal Officer, N.H.P.  
Ranchi-834002  
Date: 25/08/2020

**Note :**

1. Total expenditure made during the year (B above) must be the same as the Total Expenditures shown on the statement of Sources and Applications of Funds (D on the statement of Sources and Applications of Funds).
2. Outstanding AC Bills (C above) reflect funds drawn against AC bills that have been booked as expenditure but not settled by the end of the year (i.e. unsettled advance). The project should show in Schedule II the opening balance of unsettled AC bills drawn during the year, AC bills settled during the year, and AC bills unsettled at the end of the year.
3. Expenditures not claimed (E above) may reflect timing differences for eligible expenditure incurred during the year but claimed after the year end.
4. Amounts A and G above must be equal.

25/8/20

Annexure -3

Office of the Executive Engineer  
Master Planning Investigation & Hydrology Div. No.-2  
Jal Bhawan, Room No-204, Doranda, Ranchi -834002

Date-25.08.2020

Management Assertion Letter

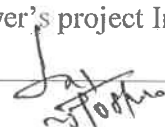
To,

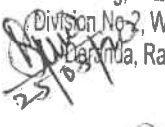
The Accountant General (Audit)  
Office of the Accountant General (Audit)  
Jharkhand, Ranchi – 834002.

(Date)

The assertion letter is provided in connection with your audit of the financial statements of the **National Hydrology Project** for the year ended **31<sup>st</sup> March 2020**. We acknowledge our responsibility for the fair presentation of the financial statements in accordance with the cash basis of accounting followed by the Government of India, and we confirm, to the best of our knowledge and belief, the following representation made to you during your audit.

- The project financial statements are free of material misstatements, including omissions.
- Project funds have been used for the purposes for which they were provided.
- Project expenditures are eligible for financing under the Loan/Credit agreement.
- There have been no irregularities involving management or employees who have a significant role in internal control or that could have a material effect on the project financial statement.
- We have made available to you all books of account and supporting documentation relating to the project.
- The project has complied with the conditions of all relevant legal agreements, including the Financing Agreement, the Project Appraisal Document, the Minutes of Negotiations and the Borrower's project Implementation Plan.

  
Executive Engineer  
Master Planning, Investigation & Hydrology  
Division No-2, WRD, Jal Bhawan  
Doranda, Ranchi-834002

  
लेखा प्रदीपकारी  
समग्र योजना, अन्वेषण एवं जल विज्ञान  
प्रमण्डल सं०-२, जल संसाधन विभाग  
जलभवन, डोरण्डा, राँची-८३४००२

1. This sample management assertion letter is based on ISA580, "Management Representations," Handbook of International Auditing Assurance and Ethics Pronouncement International Federation of Accountants, 2007.