



भारतीय लेखा तथा लेखा परीक्षा विभाग
कार्यालय महालेखाकार (लेखा परीक्षा), पंजाब
प्लॉट नं० 21, सैक्टर 17, चण्डीगढ़-160017
Indian Audit & Accounts Department
Office of the Accountant General (Audit) Punjab
Plot No. 21, Sector 17, Chandigarh-160017

"REGD. POST"

No. TSC/F-67/WB/AC/2020-21/118-20

Dated : 15.12.2020

To

The Director cum Nodal Officer (NHP),
Water Resources & Environment Directorate, Punjab,
Water Resources Bhawan, Sector-68,
SAS Nagar

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

Sir,

I am to enclose an Audit Certificate in respect of World Bank Assisted National Hydrology Project, Loan No. 8725-IN for the Financial year 2019-20 amounting Rs. 1,06,09,638/- (Rs. One Crore, Six Lakh, Nine Thousand, Six Hundred and Thirty Eight only) for further necessary action.

Yours faithfully,

Encls:- As above


Sr. Audit Officer

Copy of the above alongwith Audit Certificate is forwarded to the Secretary, Finance, Department of Economic Affairs, New Delhi, for information and necessary action.

Encls:- As above

-Sd/-

Sr. Audit Officer

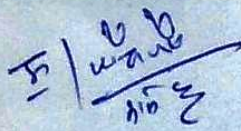
Copy of the above alongwith Audit Certificate in respect of the above project for the year 2019-20 is forwarded to the Country Director, World Bank 70, Lodhi Estate, New Delhi for information and necessary action.

Encls:- As above

-Sd/-

Sr. Audit Officer





AUDIT CERTIFICATE

To,

**Director cum Nodal Officer-NHP
Water Resources & Environment Directorate
Water Resources Bhawan, Sector-68,
SAS Nagar.**

Report on the Project Financial Statements

We have audited the accompanying financial statements of the **National Hydrology Project** under World Bank Loan No.8725-IN, which comprise the Statement of Sources and Applications of funds and Reconciliation of Claims to Total Applications of Funds for the year ended **31st March, 2020** (provided in Annexure A). 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 & 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 from 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 for the year ended **31st March 2020** in accordance with Government of India Accounting Standards.

In addition, in our opinion, (a) with respect to Interim Unaudited Financial Reports (IUFRs), adequate supporting documentation has been maintained to support claims to the World Bank for reimbursement of expenditure incurred, and (b) except for ineligible expenditure as detailed in audit observations (in annexure B), if any appended to this audit report, expenditure are eligible for financing under the Loan/Credit Agreement. During the course of the audit, IUFRs 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**.

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

Note 1: Expenditure for the year 2018-19 (ending 31st March 2019) is Rs. 26,06,198/- (Twenty Six Lakh, Six Thousand, One Hundred and Nifty Eight only).

Note 2: Expenditure for the year 2019-20 (ending 31st March 2020) is Rs. 1,06,09,638/- (One Crore, Six Lakh, Nine Thousand, Six Hundred and Thirty Eight only)

Note 3: Expenditure showing componenet wise detail for the year 2019-20 is Component A-75,24,473/-, Component B- 7,54,222/-, Component C- Nil, Component D- 23,30,943/-

Amulya
19/12/20

Deputy Accountant General
(Technical Support Cell)

Annexure-A

Statement showing sources and uses of funds, reconciliation of claims and the details of expenditure incurred component wise for the year 2019-20 in respect of World Bank assisted National Hydrology Project (Loan No.8725-IN)

Table 1: Source and use of funds:

Source and use of funds		Amount in Rs.
Opening balance	(a)	4,82,74,424
Funds received during the year	(b)	Nil
Interest earned	(c)	26,38,479
Total receipts	(d) = (a+b+c)	5,09,12,903
Total expenditure admitted in audit	(e) of table 2	1,06,09,638
Closing balance	(f) = (d)-(e)	4,03,03,265
Amount claimed from Bank as per IUFR	(g) of table 2	1,06,83,250
Claimable amount from Bank	(h) = 50% of (e)	53,04,819
Short/Excess claim	(i) = (g)-(h)	53,78,431 Excess- Rs.73,612

Table 2: Component wise reconciliation of claims and expenditure

Components	IUFR Figure (g) Rs.	Actual Expenditure as Verified in audit Rs.	Expenditure Disallowed In Audit Rs.	Expenditure Admitted in Audit (e) Rs.
Component-A	76,50,358	76,50,358	1,25,885	75,24,473
Component-B	Nil	7,54,222	Nil	7,54,222
Component-C	Nil	Nil	Nil	Nil
Component-D	30,32,892	23,38,422	7479	23,30,943
Total expenditure	1,06,83,250	1,07,43,002*	1,33,364	1,06,09,638

*Note: Variation in expenditure of Rs.59,752 was noticed.

Rs. 58,826 pertains to Executive Engineer, Water Resources Investigation Division and Rs.926 pertains to Executive Engineer, Discharge Division.


Sr. Audit Officer (TSC)

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 (Loan No.8725-IN),

District/Unit office	Amount disallowed (RS.)	Reasons for disallowance
Executive Engineer, Water Resources Investigation Division, SAS Nagar	99914	Expenditure pertains to previous year and amount deducted as bank charges.
Sr.Hydrogeologist, Surface Hydrology, SAS Nagar	Nil	Nil
Sr.Hydrogeologist, Ground Water Resources Division, SAS Nagar	Nil	Nil
Executive Engineer, Discharge Division, SAS Nagar	33450	Double deposit of GST Non deposit of GST
Total	1,33,364	

Detail of Paras pointed out irregularities:

Executive Engineer, Water Resources Investigation Division, SAS Nagar.

- Para-3 Irregular Expenditure-Rs.99914
- Para-4 Variation in Expenditure-Rs.58826
- Para-5 Irregular booking of expenditure-Rs.7.54 lakh

Executive Engineer, Discharge Division, SAS Nagar

- Para-1 Double deposit of GST-Rs.26700
- Para-2 Non deposit of GST-Rs.6750
- Para-3 Variation in expenditure-Rs.926



Sr. Audit Officer (TSC)

Annexure-C

Statement showing the details of disallowance 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).

Sl.No	Name of the Division/unit	Year of Disallowance	Amount Now Released	Balance Disallowance amount
		-NIL-		


Sr. Audit Officer (TSC)