



भारतीय लेखापरीक्षा तथा लेखा विभाग
कार्यालय महानिदेशक लेखापरीक्षा (केन्द्रीय), चण्डीगढ़
Indian Audit & Accounts Department
Office of The Director General of Audit (Central),
Chandigarh



सं/No: केन्द्रीय व्यय/वेटिंग अनुभाग /2019-20/57-59 दि०/Dated: 14.05.2019.

सेवा में,

The Secretary, GOI
Ministry of Water Resources, RD & GR
National Hydrology Project Unit
2nd Floor, Rear Wing, MDSS Building
9, CGO Complex, Lodhi Road,
New Delhi 110003

विषय: वर्ष 2017-18 के लेखों के प्रमाणीकरण प्रतिवेदन।

महोदय/महोदया,

इस पत्र के साथ The Director National Hydrology Project, BBMB Chandigarh के वर्ष 2017-18 के लेखों के प्रमाणीकरण से संबंधित प्रारूप टिप्पणियाँ आगामी कार्यवाही हेतु प्रस्तुत है।

भवदीया

-हस्ता-

वरिष्ठ लेखा परीक्षा अधिकारी

प्रतिलिपी : निम्नलिखित को सूचनार्थ एवं आवश्यक कार्यवाही हेतु भेजी जा रही है।

(i) The Secretary, GOI,
No.201, Shram Shakti Bhawan,
Ministry of Power,
New Delhi -110001.

(ii) The Director-NHP, BBMB,
Flat No. 67 & 70, Industrial Area Phase 1,
Chandigarh

वरिष्ठ लेखा परीक्षा अधिकारी



भारतीय लेखापरीक्षा तथा लेखा विभाग
कार्यालय महानिदेशक लेखापरीक्षा (केन्द्रीय), चण्डीगढ़
Indian Audit & Accounts Department
Office of The Director General of Audit (Central), Chandigarh



क्रमांक/No: पी.डी.ए.(सी)/के.व्यय/NHP-BBMB/2019-20/ 57-59

दि०/Dated: 14/5/19

Audit Certificate

The Expenditure Statement/Financial Statements relating to the National Hydrology Project in BBMB (Loan No.8725-IN) for the year 2017-18 attached hereto have been audited in accordance with 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 statement/s financial statements are correct.

During the course of audit referred to above, Statement of Expenditure/ Interim Unaudited Financial Reports for Rs.3592740.65 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 the Expenditure Statement/ Financial Statements represent a true and fair view of the implementation and operations of the Project for the year 2017-18.

Net admissible amount is Rs.2974525.65.

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


Deputy Director
Central Expenditure

Audit Report of the Comptroller and Auditor General of India in respect of World Bank Aided National Hydrology Project, BBMB, Chandigarh for the year ended 31st March 2018

Report on the Project Financial Statements


We have audited the accompanying financial statements of World Bank aided 'National Hydrology Project' 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 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 the National Hydrology Project for the year ended 31st March 2018 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 claim to the World Bank for reimbursements of expenditures incurred and (b) except for inadmissible expenditures of Rs.618215/- as detailed in the audit observations, appended to this audit report, expenditures are eligible for financing under the Loan/ Credit Agreement. During the course of the audit of Interim Unaudited Financial Reports (IUFRs), an amount of Rs.2974525.65 can be relied upon to support reimbursement under the Loan/ Credit Agreement.

The audit 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 Parliament/ State or UT Legislature.


**Deputy Director
Central Expenditure**

PROJECT FINANCIAL STATEMENT

Annexure -1

STATEMENT OF SOURCES AND APPLICATIONS OF FUNDS

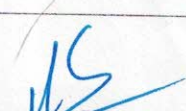
Consolidated Statement of Sources and Application of Funds Report for the year ended 31st March 2018

Name of the Project: **NATIONAL HYDROLOGY PROJECT**

Name of Project Implementing Agency (PIA): **Bhakra Beas Management Board**

Loan/ Credit/ Grant No. **8725-IN**

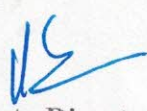
Particulars			Current FY	Last FY	Cumulative for the Project
SOURCES OF FUNDS					
World Bank Funds - GEF	(A)				
Others	(B)		14900000	648449	15548449
Total Sources	Sum (A to B)		14900000	648449	15548449
APPLICATION OF FUNDS					
Component 1	(C)	Water Resources Monitoring System	207360	---	207360
Component 2	(D)	Water Resources Information System	---	---	---
Component 3	(E)	Water Resources Operations and Planning Systems	2518215		2518215
Component 4	(F)	Institutional Capacity Enhancement	2481377.65	1614212	2481377.65
Total Expenditure	(G)=Sum (C to F)		3592740.65	1614212	5206952.65
Advances	(H)		Nil	Nil	Nil
Total Applications	(G+F)		3592740.65	1614212	5206952.65


Deputy Director
Central Expenditure

Loan/Credit/Grant No.8725-IN

**Reconciliation of Claims to Total Applications of Funds
Report for the year ended 31st March 2018**

	Schedules	Amount (Rs. in lakhs)		
		Current Year	Previous Year	Project to date
Bank Funds claimed during the year (A)	I	149	22.50	171.50
IUFR 1				
IUFR 2				
IUFR 3				
IUFR 4				
IUFR 5				
Total Expenditure made during the year (B)		35.93	16.14	52.07
Less: Outstanding Advances (C)	II	20.84	-	20.84
Ineligible expenditures (D)	III	(-)6.18	-	(-)6.18
Expenditures not claimed (E)	IV	-	-	-
Expenditure not covered for allocation i.e. 100% money will be reimbursed by some other funding agencies (F)				
Total Eligible Expenditures Claimed (G)=(B)-(C)-(D)-(E)-(F)		29.75	16.14	45.89


Deputy Director
Central Expenditure

Annexure -3

Statement of Expenditure/ Interim Unaudited Financial Reports incurred in respect of World bank Aided "National Hydrology Project" in BBMB Chandigarh for the year 2017-18.

Sr. No	Name of Institution	Name of audit office to issue audit certificate	Expenditure audited	Name of the Project	Amount Rs.	Audit Observations/ Remarks	
1	Bhakra Beas Management Board	Principal Director of Audit (Central), Chandigarh	3592740/-	National Hydrology Project (NHP) in Bhakra Beas Management Board (BBMB)	149 lakh	Rs 6.18 lakh	Ineligible expenditure

**Deputy Director
Central Expenditure**

Audit Report of the Comptroller and Auditor General of India on the financial statements of World Bank aided National Hydrology Project for the year ended 31st March 2018.

Director, NHP-BBMB, Flat No.67 & 70, Industrial Area-I, Chandigarh

Report on the Project Financial Statements

We have audited the accompanying expenditure statements of World Bank aided National Hydrology Project (financed under World Bank Loan No.8725-IN) which comprise the Statement of Sources and applications of funds and the reconciliation of claims to total application 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 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.

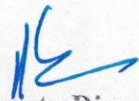
In our opinion, the financial statement present fairly, in all material respects, the sources and applications of funds of World Bank aided National Hydrology Project for the year ended 31st March 2018, in accordance with Government of India accounting standards.

In addition, in our opinion, (a) with respect to statements of expenditure, 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 the audit observations appended to this audit report, expenditure is eligible under the Loan Agreement No. 8725-IN. During the course of audit, statements of expenditure/UIFR and connected documents were examined and these can be relied upon to support reimbursement under the Loan Agreement.

This certificate is issued without prejudice to CAG's right to incorporate the audit observations in the Report of CAG of India for being laid before State Legislature.

Audit Observation:

Sr. No.	Para No.	Subject	Amount (Rs. in lakhs)
1	1	Incurring of expenditure over and above the sanctioned grant: Rs.618215/-	6.18
2	2	Slow utilization of funds	---
3	3	Non-formulation of Investment Policy and parking of surplus funds in saving bank accounts resulted into loss of interest of Rs.1.56 lakh	1.56
4	4	General Para	---


Deputy Director
Central Expenditure

Component of Expenditure for the year 2017-18 (National Hydrology Project)


(Rs. in lakhs)

Sr. No.	Component	Name of the Project	Target as per AWP	Target against available (Grant-in-aid)	Achievement against available fund	Balance Amount
		Opening Balance				
1	A	Water Resources Monitoring System	74.00		2.07	71.93
2	B	Water Resources Information System	Nil		Nil	Nil
3	C	Water Resources Operations and Planning Systems	19.00		25.18	(-)6.18
4	D	Institutional Capacity Enhancement	56.00		8.67	47.33
		Total	149.00		35.92	113.08

vanita
Sr. Audit Officer

Management Letter

As no other material came to the notice during audit other than audit observations mentioned in the audit report on financial statements of the National Hydrology Project (Credit No.8725-IN) for the year 2017-18, no management letter has been prepared.


**Deputy Director
Central Expenditure**