To
The Project Director,
Water Resources Investigation & Development Department,
O/o the Project Director, WB-ADMI Project,
Block-14/2, CIT Scheme-VIII (M), ICMARD Buildings, 8th Floor,
Ultadanga,
Kolkata-700 067.

Subject : Issue of Audit Report in respect of World Bank assisted West Bengal Accelerated Development of Minor Irrigation Project (Loan No. 8090-IN and IDA Cr. No. 5014-IN) for the year 2011-12.

Sir,

I am to forward herewith the Audit Report in respect of World Bank assisted West Bengal Accelerated Development of Minor Irrigation Project (Loan No. 8090-IN and IDA Cr. No. 5014-IN) for the financial year 2011-12 including the Audit observations and enclosing the PFS.

The receipt of the same may kindly be acknowledged.

Enclo: As stated.

Yours faithfully,

Deputy Accountant General/ G&SS -I(CA)
Audit Report – Unqualified Opinion
Report of the Comptroller and Auditor General of India

To
Secretary to Government of West Bengal
Department of Water Resources Investigation and Development
Writers’ Building, Kolkata- 700001
West Bengal

Report on the Project Financial Statements

We have audited the accompanying financial statements of the West Bengal Accelerated Development of Minor Irrigation Project financed under World Bank Loan No. 8090-IN / IDA Cr. No. 5014-IN, which comprise the Statement of Sources and Applications of Funds and the Reconciliation of Claims to Total Applications of Funds - Summary Sheet, Project Expenditure as per AG Monthly Appropriation Accounts (Report IA), Project Expenditures by Components and Activities (Report-IB), Quarterly Financial Monitoring Report – World Bank Funds Requirement (Report- IC), Commitment Tracking Report – for prior review contracts (Report- 2A), Commitment Tracking Report – for post review contracts (Report -2B) and Management Assertion letter as well as copy of the Certificate furnished by the Project Authority for the year ended 31 March 2012 (21 December 2011-31 March 2012). 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 West Bengal Accelerated Development of Minor Irrigation Project for the year ended 31 March 2012 in accordance with Government of India accounting standards.

Contd......
In addition, in our opinion, (a) with respect to SOE, 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, appended to this audit report, expenditures are eligible for financing under the Loan/Credit Agreement. During the course of the audit, SOEs/FMRs (RF – I / ₹ 233.31 lakh) 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 before Parliament/State Legislature.

Audit Observations:

The expenditure incurred in respect of World Bank assisted West Bengal Accelerated Development of Minor Irrigation Project Loan No. 8090-IN / IDA Cr. No. 5014-IN, as per Project Financial Statement furnished by the Project Director, West Bengal Accelerated Development of Minor Irrigation Project, Water Resources Investigation & Development Department, for the financial year 2011-12 is ₹ 2,33,30,983.

Out of ₹ 2,33,30,983/-, eligibility for reimbursement stands at ₹ 1,92,20,549/- as shown below:

<table>
<thead>
<tr>
<th>(1) Expenditure incurred</th>
<th>(2) Expenditure admissible in audit</th>
<th>(3) Percentag of reimbursement</th>
<th>(4) Amount eligible for reimbursement</th>
<th>(5) Expenditure inadmissible in audit</th>
<th>(6) Reason for inadmissibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods, works, non-consulting services, consultant’s services, training and operating costs under Part A, C and D of the Project.</td>
<td>1.43,08,037</td>
<td>1.02,73,163</td>
<td>100%</td>
<td>1.02,73,163</td>
<td>40,34,874</td>
</tr>
<tr>
<td>PPMU</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1) ₹ 1.46,920/- was paid to the agency for printing work without obtaining any quotation in violation of guideline.</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2) ₹ 47,889/- was paid to Principal Consultant which was not covered under “State Level Implementation Arrangement” in the Procurement Manual.</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3) Avoidable expenditure of ₹ 15,19,763/- due to incorrect Expression of Interest (EOI) without waiting for clarification from World Bank.</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4) Expenditure of ₹ 23,20,302/- was incurred for works/procurement started and completed before the signing of the project/loan agreement but paid for after the signing of the project/loan agreement on 21 December 2011.</td>
</tr>
<tr>
<td>DPMU</td>
<td>90,22,946</td>
<td>89,47,386</td>
<td>100%</td>
<td>89,47,386</td>
<td>75,560</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1) Expenditure of ₹ 75,560/- was incurred for works/procurement started and completed before the signing of the project/loan agreement but paid for after the signing of the project/loan agreement on 21 December 2011.</td>
</tr>
<tr>
<td>Total</td>
<td>2,33,30,983</td>
<td>1,92,20,549</td>
<td>-</td>
<td>1,92,20,549</td>
<td>41,10,434</td>
</tr>
</tbody>
</table>

Dy. Accountant General / G6SS-I (CA)
O/o the Pr. Accountant General (General & Social Sector Audit), West Bengal,
Treasury Building, 2, Govt. Place (West), Kolkata- 700 001.
Date: 09 January 2013.
<table>
<thead>
<tr>
<th>SLY</th>
<th>CATEGORIE NUMBER</th>
<th>ACTUAL EXPENDITURE</th>
<th>FOR THE NEXT TWO QUARTERS</th>
<th>REIMBURSABLE</th>
<th>AMOUNT</th>
<th>%</th>
<th>REIMBURSABLE</th>
<th>AMOUNT</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>IRR 8090 IN</td>
<td>112/2011-10-31/05/2012</td>
<td>EXPENDITURE PERIOD 2</td>
<td>21/12/2011</td>
<td>6 9</td>
<td>7</td>
<td>8</td>
<td>1</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>IRR 8090 IN</td>
<td>112/2011-10-31/05/2012</td>
<td>EXPENDITURE PERIOD 1</td>
<td>12/2011-10-31/03/2012</td>
<td>6</td>
<td>9</td>
<td>7</td>
<td>8</td>
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<td>2</td>
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<td></td>
<td></td>
<td>FORECAST PERIOD 2</td>
<td>VA</td>
<td>NA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>FORECAST PERIOD 1</td>
<td>VA</td>
<td>NA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**SUMMARY SHEET**

(DDA C. 5044/LN 78091 IN 88090-LN
West Bengal Accelerated Development of Minor Irrigation Project
Department of Water Resources Investigation & Development
Government of West Bengal)
**Demand No:** 55  
**Water Resources Investigation & Development Department**

<table>
<thead>
<tr>
<th>Plan Sector</th>
<th>Major Head</th>
<th>Sub Head</th>
<th>Project Components/Sub Components</th>
<th>Fiscal Year Budget (as per RE for 2011-12)</th>
<th>Expenditure Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>SP</td>
<td>2702</td>
<td>018</td>
<td>ADMIP in West Bengal (WI)</td>
<td>50,000,000</td>
<td>23,330,983</td>
</tr>
</tbody>
</table>

**Amounts in INR.**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>800</td>
<td>0</td>
<td>018</td>
<td>ADMIP in West Bengal (WI)</td>
<td>50,000,000</td>
<td>23,330,983</td>
<td>23,330,983</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Cumulative Year to date expend of Rs. 275.08 lakhs reflected in AG Monthly Appropriation Account [attached] includes PPF related expenditures of Rs. 41.77 lakhs.

Certified that the expenditures reported above are based on the AG Monthly Appropriation Accounts and that the funds have been used for intended purposes.

Prepared by

Jt. Director (Audit)  
&  
Controller of Finance  
WBADMI Project, Govt. of W.B.

Approved by

Date

Project Director  
WBADMI Project  
Govt. of W.B.

Countersigned

Project Director  
WBADMI Project
To
The Addl. Chief Secretary/Pr. Secretary/Secretary,
Government of West Bengal,
Water Investigation and Development Department,
Writer's Buildings,
Kolkata-700 001.

Sir,

Enclosed please find a statement showing (1) the original Grant or Appropriation -- Supplementary Grants proposed vis-à-vis Surrender/Re-appropriation sanctioned by the Department during the year (2) the final Grant or Appropriation and (3) the actual expenditure as compared with the Final Grant or Appropriation. Like previous year, explanations for variations have been incorporated in the statement by this office for acceptance by the Department.

However, the views/comments of the Department regarding the variations in respect of scheme head may be furnished for inclusion in the Appropriation Accounts.

It is also requested to kindly ensure that reconciliation of figures by Departmental Officers as required vide Rule 385 of WBFR Vol.-I may please be completed latest by the 15th June,2012 duly deputing officials to this office.

In order to ensure accuracy, timeliness and quality of Annual Accounts, your co-operation in this regard is highly solicited.

Yours faithfully,

Enclo : As stated above.

Deputy Accountant General
(A/cs. & VLC)
## Project Expenditures by Components and Activities

### A. STRENGTHENING OF COMMUNITY BASED INSTITUTIONS
- Support Organization (SO) Costs
- Studies to review performance of SOs
- Capacity Building of WIRD Staff for WUA Dev.

### B. IRRIGATION SYSTEM DEVELOPMENT & IMPROVEMENT
- Schemes
- Additional Schemes
- Engineering Consultancy
- Third party quality assurance
- Environment Enhancement works

### C. AGRICULTURE DEVELOPMENT
- Nodal Unit - Renovation of office building, furniture, equipment etc.
- Training and Preparation of ASPP
- Demonstrations
- Bio village program
- Strengthening of Agriculture Institutions
- Incremental Costs - Nodal Unit contractual staff / operational Cost etc.
- Incremental costs - Agricultural Institutions
- Adaptive Research

### C(I). AGRICULTURE DEVELOPMENT
- Nodal Units
  - Office furniture & Equipment
  - Training
  - Demonstrations
  - Monitoring and Evaluation
  - Incremental Costs - Nodal Unit contractual staff / operational Cost.

### C(II). AGRICULTURE DEVELOPMENT
- Nodal unit - Office furniture & Equipment
- Training
- Demonstrations
- Monitoring and Evaluation
- Incremental Costs - Nodal Unit contractual staff / operational Cost.

### C(III). AGRICULTURE DEVELOPMENT
- Nodal unit - Office furniture & Equipment
- Training
- Demonstrations
- Monitoring and Evaluation
- Incremental Costs - Nodal Unit contractual staff / operational Cost.

### D(I). PROJECT MANAGEMENT - SPMU
- PMU Building (Office Rent & Maintenance charges, Repair & Restoration, Office Furniture & Furnishing etc.)
- Purchase of Equipment
- Books, periodicals and manuals
- IEC Materials
- Remote Sensing GIS Laboratory
- Water Quality Lab
- MIS Network
- Webpage development and management
- Server and networking
- Salaries (Contractual staff and Operational Costs)
- Staff Salaries - Contractual staff
- Office consumables
- Hiring of vehicles
- O&M Equipment
- Advertisement

### D(II). PROJECT MANAGEMENT - DPMU
- Office Accommodation
- Water Quality Testing Kits
- Office furniture and fixtures etc
- Office Refreshment
- Books, periodicals, BIS codes etc
- Capacity Building - trainings, meetings, conferences, Exposure visits etc.
- IEC materials
- Salaries (Contractual staff and Operational Costs)

### Expenditure Reported
- Current Quarter
- Year to Date
- Cumulative to Date

### Forecast of Expenditure
- For quarter ended 30/06/2012
- For quarter ended 30/09/2012
- Total

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**Prepared by**

**Approved by**

**Controller of Finance**

**Project Director**

**WBADMI Project, Govt. of W.B.**

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**Report-18**

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**Government of West Bengal**

Department of Water Resources Investigation & Development

West Bengal Accelerated Development of Minor Irrigation Project (IBRD Ln. 8090-IN)
Government of West Bengal
Department of Water Resources Investigation & Development
West Bengal Accelerated Development of Minor Irrigation Project
(IDA Cr. 5014-IN, IBRD Ln. 8090-IN)

Quarterly Financial Monitoring Report - World Bank Funds requirement

Report for the period: 21/12/2011 -to- 31/03/2012

<table>
<thead>
<tr>
<th>PART I</th>
<th></th>
<th>(Amount in INR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Cumulative advances to end of last reporting period</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>2. Cumulative expenditures to end of last reporting period (Bank Share)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>3. Outstanding Advance to be accounted (line 1 minus line 2)</td>
<td></td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PART II</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4. Opening advance balance at beginning of reporting period (as of xx/xx/xxxx) (same as line 3)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>5. Advances from World Bank during reporting period</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>6. Outstanding advances to be accounted for (add line 4 and line 5)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>7. Expenditures for current reporting period (Bank share)</td>
<td></td>
<td>23,330,983</td>
</tr>
<tr>
<td>8. Closing advance balance at end of current reporting period (as of 30/09/2009) (line 5 minus line 7)</td>
<td></td>
<td>(23,330,983)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PART III</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>9. Total forecasted amount to be paid by World Bank</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>10. Closing advance balance at the end of current reporting period (same as Line 8)</td>
<td></td>
<td>(23,330,983)</td>
</tr>
<tr>
<td>11. Disbursement payment in pipeline</td>
<td></td>
<td>50,760,000</td>
</tr>
<tr>
<td>12. Cash requirement from World Bank for next two reporting periods (line 9 minus line 10 &amp;11)</td>
<td></td>
<td>(27,4,017)</td>
</tr>
</tbody>
</table>

Prepared by

Date:

Approved by

Date:

Project Director
WBADMI Project
Govt. of W.B.

Countersigned by

Project Director
WBADMI Project
<table>
<thead>
<tr>
<th>Project Component</th>
<th>Description</th>
<th>Current Status</th>
<th>Date of Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Management</td>
<td>Project Management District</td>
<td>In Progress</td>
<td>Jan 2023</td>
</tr>
<tr>
<td>Construction</td>
<td>Construction District</td>
<td>Completed</td>
<td>Dec 2022</td>
</tr>
<tr>
<td>Electrical</td>
<td>Electrical District</td>
<td>In Progress</td>
<td>Feb 2023</td>
</tr>
<tr>
<td>Mechanical</td>
<td>Mechanical District</td>
<td>In Progress</td>
<td>Feb 2023</td>
</tr>
<tr>
<td>Civil</td>
<td>Civil District</td>
<td>In Progress</td>
<td>Feb 2023</td>
</tr>
</tbody>
</table>

*Note: Dates are approximate and subject to change.*
<table>
<thead>
<tr>
<th>ID</th>
<th>Description</th>
<th>Quantity</th>
<th>Unit</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Item A</td>
<td>100</td>
<td>unit</td>
<td>100</td>
</tr>
<tr>
<td>2</td>
<td>Item B</td>
<td>200</td>
<td>unit</td>
<td>400</td>
</tr>
<tr>
<td>3</td>
<td>Item C</td>
<td>50</td>
<td>unit</td>
<td>50</td>
</tr>
<tr>
<td>4</td>
<td>Item D</td>
<td>150</td>
<td>unit</td>
<td>150</td>
</tr>
<tr>
<td>5</td>
<td>Item E</td>
<td>250</td>
<td>unit</td>
<td>250</td>
</tr>
</tbody>
</table>

**TOTAL**

1000 units
Management Assertion Letter for audit of PFS for
West Bengal Accelerated Development of Minor Irrigation Project (EAP).
(WBADMI Project)

This Assertion letter is provided in connection with your audit of the financial statements of the WBADMI Project for the year 2011-12. 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 / West Bengal and we confirm, to the best of our knowledge and belief, the following representations 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 statements;

• We have made available to you all books of accounts and supporting documents relating to the project;

• The project has complied with the conditions of all relevant legal agreements, including the Financing Agreement, the Project agreement, the Project appraisal Document, and the Minutes of Negotiations (i.e the Disbursement letter dated 21st December, 2011).

Dated Kolkata the 9th January, 2013

[Signatures]

Controller of Finance
Jt. Director (Audit)
&
Controller of Finance
WBADMI Project, Govt. of W.B.

Controller of Finance Project Director

Executive Engineer (A.M.)
Kolkata

[Signature]
Drawing & Disposing Officer

[Signature]
Project Director

[Signature]
Project Director
WBADMI Project
Govt. of W.B.
Certificate

The undersigned certifies, warrants and undertakes the following:

A. If the undersigned is making a request for an advance to be deposited in a designated account:

(1) the amount requested is consistent with the planned project expenditures furnished to the World Bank; and
(2) the documentation for this advance is/will be furnished to the World Bank in accordance with the reporting period specified in the legal agreement(s) or disbursement letter for this project. If the undersigned is documenting expenditures paid from a designated account:
   (a) the expenditure covered by the application are eligible for financing out of the proceeds of the loan/financing/grant in accordance with the terms of the related legal agreement(s); and
   (b) these expenditures have not been financed previously from sources other than the borrower nor will the undersigned request financing for the expenditures from any other source in the future.

B. If the undersigned is making a request for reimbursement or direct payment:

(1) the expenditures covered by the application are eligible for financing out of the proceeds of the loan/financing/grant in accordance with the terms of the related legal agreement(s); and
(2) these expenditures have not been financed previously from sources other than the other source in the future.

C. If the undersigned is making a request for a tranche payment under a development policy loan/financing/grant:

(1) As equivalent amount of this deposit will be accounted for in accordance with terms of the related legal agreement(s); and
(2) The proceeds of the loan/financing/grant will not be finance excluded expenditures specified in the related legal agreement(s).

D. The undersigned will make all records related to the expenditures covered by this Application for withdrawal available for review by auditors and by World Bank staff.

[Signature of Authorized Project Signatory]
[Stamp]

[Countersigned]

[Project Director]
[WBADMI Project]

[Project Director]
[WBADMI Project]
[Govt. of W.B.]